FACTS ON FILE

WORLD NEWS DIGEST WITH INDEX

Published Weekly. In 2 Sections—Section I

Vol. XXI, No. 1062 Mar. 2-8, 1961

PROPERTY OF THE LIBRARY OF THE MAR 17 1961 UNIVERSITY OF THE WORKING PEOPLE

WORLD AFFAIRS

UN & Congo Problem

Assembly Reconvenes. The 15th regular session of the UN General Assembly was reconvened in New York Mar. 7 by Assembly Pres. Frederick H. Boland after a recess begun Dec. 21, 1960. [See Vol. XX, p. 474F3]

U.S. Amb.-to-UN Adlai E. Stevenson conferred Mar. 6 with Soviet Foreign Min. Andrei A. Gromyko in an attempt to reach agreement on shortening the session by dropping certain agreed cold war items from the agenda. The N.Y. Times reported Mar. 6 that neutralist delegations had been pressing for U.S.-Soviet agreement on the deletion of these agenda items: the U.S.' alleged U-2 and RB-47 spy flights over the USSR, Cuban charges of U.S. aggression, and the questions of Hungary and Tibet. The Stevenson-Gromyko meeting was said to have failed after Gromyko insisted that the U.S. drop its 5-point plan for UN development of Africa in return for withdrawal of the Soviet item on disarmament.

A statement issued by Stevenson Mar. 7 confirmed the U.S.' desire to "see the agenda cut to the bone" to avoid "acrimonious debate" and "contribute to a better international climate for serious negotiations on such vital subjects as disarmament." A Soviet delegation statement made the same day denied that Gromyko had discussed any "exchange" of agenda items on disarmament and Africa and said that if any agenda items were to be dropped they should be the "so-called Hungarian and Tibet questions," which had "poisoned" the Assembly's deliberations in the past.

Nkrumah Presents UN Plan. In an address at the Assembly's opening session Mar. 7, Ghana Pres. Kwame Nkrumah formally outlined his proposal for an "all-African" settlement of the Congo problem. Nkrumah had arrived in the U.S. from Ghana Mar. 5.

Nkrumah called for the withdrawal from the Congo of all foreign diplomatic missions and white military and political personnel, especially Belgians, "to give the new UN Command a fair chance to eliminate the cold war from the Congo." He declared that "all non-African personnel serving in the Congolese army should be expelled . . . immediately." Nkrumah, who originally had demanded that the UN Force be limited to African troops, called for reorganization of the UN Congo Command "so that the initiative in producing a solution comes primarily from the African states, with military support from the uncommitted countries of Asia."

Nkrumah declared his support for a Congo settlement based on UN Security Council resolutions, but he criticized the UN for Congo policies that, he charged, had "played completely into the hands of those Belgian interests who are financing Mobutu, Kalonji, Tshombe and Kasavubu." He urged the disarming of all Congolese troops "to neutralize them from politics," the reconvening of the Congo Parliament, and UN-supervised Congo elections.

Stevenson on Red UN Aims. U.S. Amb.-to-UN Stevenson told newsmen Feb. 25 that Premier Khrushchev's Feb. 22 demand for the ending of UN operations in the Congo was motivated by the UN's effectiveness in preventing Soviet dominance of Africa.

Stevenson said the USSR had found the UN "has been an obstacle to Soviet penetration of central Africa; hence the effectiveness of the UN must be destroyed." Stevenson, addressing a N.Y. civic luncheon Mar. 3 warned Soviet leaders that history showed that "war follows when new empires thrust into the collapsing ruins of the old. So stay your ambitions, think twice about your interventions. . . . Allow the new principle of international order—the right of peoples to determine their own destiny—to operate in Africa without your pressure . . ."

Congolese Take UN Posts. Fighting broke out Mar. 3-4 between Congolese troops commanded by the Kasavubu government and Sudanese UN Force contingents in Banana, on the Congo's narrow Atlantic coast, and in Matadi, Congo River port. The UN troops surrendered both cities.

Fighting reportedly began in Banana Mar. 3 when the Sudanese captured 2 Congolese attempting to arrest a UN radio operator. The Sudanese were fired on as they sought to return the Congolese prisoners. Acting under new UN Force orders to use force if necessary, the Sudanese shot back and killed one of the Congolese. Heavy fighting broke out in the city and the Sudanese were withdrawn Mar. 4.

UN Secy. Gen. Hammarskjöld protested the Banana fighting and recent attacks on UN personnel in Léopoldville in a cable to Pres. Kasavubu Mar. 4. Hammarskjöld denied that the UN Security Council had ordered the UN Force to disarm Kasavubu's troops. But he warned that the UN would be forced to resort to arms if Congolese forces were used to frustrate UN efforts to restore order in the Congo.

The Matadi fighting began Mar. 4, according to Canadian personnel who witnessed the incident, when the Sudanese set up a machinegun facing a Congolese barracks and fired on a Congolese officer as he approached to inquire about the move. The Congolese replied by shelling Sudanese positions, and heavy firing continued until the UN troops surrendered their arms and left the city Mar. 5.

(Congolese troops seized 2 Swedish UN Force helicopters and their crews in Boma, on the Congo River, Mar. 4 but released them Mar. 5.)

Rajeshwar Dayal met with Congolese Foreign Min. Bomboko Mar. 6 to demand that Matadi and Banana be returned to UN Force control. UN spokesmen warned the Kasavubu government that the UN was authorized to use force to retake the 2 cities. Deputy Premier Albert Delvaux said Mar. 7 that the Congolese government was ready to permit the UN to reoccupy the 2 cities if it agreed to submit all UN transportation, airfields and bases to Congolese control. The UN Command rejected these terms.

Sudanese Pres. Ibrahim Abboud ordered the recall of the 400 Sudanese troops serving with the UN Mar. 6 because of the Banana and Matadi incidents. Abboud said that 2 Sudanese had been killed and 7 wounded and that 12 were missing as a result of the fighting. He blamed their surrender of the 2 cities on "vague" and "weak" UN command orders.

India Offers Troops. India informed the UN Mar. 3 that it was prepared to contribute a 3,000-man combat brigade for UN Force duty on condition the troops were not used in the fighting between contending Congolese groups. A message to Hammarskjöld from Indian Rep.-to-UN C. S. Jha said the Indian brigade would be permitted to fire on Belgians and other "mercenaries" operating in the Congo if authorized to do so by the UN Command.

The UN disclosed the same day that Liberia had offered 240 troops and Tunisia an additional 600 troops for service with the 2 countries' UN contingents already in the Congo.

Week in Headlines

UN General Assembly reconvened, heard Nkrumah plan for Congo settlement; Congolese government troops drove UN contingents from Banana, Matadi; India pledged 3,000 men for UN Force.

Algerian rebels agreed to peace talks with French after Paris talks between de Gaulle, Tunisian Pres. Bourguiba.

West Germany, Netherlands revalued currencies.

Pres. Kennedy ordered formation of U.S. Peace Corps for service abroad; ordered equal job rights enforced in federal contracts.

Supreme Court upheld right to sue police, Wilkinson, Braden contempt convictions.

FOF ADVISORY BOARD

Letters: Prof. A. J. BARNOUW, Columbia
Political Science: Prof. FRANCIS W. COKER, Yale
Economics: Prof. J. ANTON DE HAAS, Claremont
Science: DAVID DIETZ, Scripps-Howard Newspapers
Education: Dr. HARRY D. GIDEONSE
History: JOHN GUNTHER
News Analysis: H. V. KALTENBORN
World Affairs: WILLIAM L. SHIRER
Latin America: Prof. FRANK TANNENBAUM, Columbia
Library Service: Dr. C. C. WILLIAMSON

®Reg. U. S. Pat. Off.

(Hammarskjöld, in a report Mar. 2 to the General Assembly, said that the UN would need $135 million to keep 25,000 UN Force troops on duty in the Congo throughout 1961.)

U.S. Naval Force Recalled. A 4-vessel U.S. naval task force carrying 500 Marines was ordered to Congo coastal waters Mar. 5 but was recalled and ordered to continue its voyage to Capetown, South Africa Mar. 7.

State Department spokesman Lincoln White confirmed Mar. 6 that the ships had been diverted from a voyage to Capetown to be available in case the UN needed them. The Navy announced Mar. 6 that the ships had been turned around because their presence was not required by the UN. The State Department said Mar. 7 that the ships had been requested by U.S. Amb.-to-Congo Clare H. Timberlake for the possible withdrawal of UN troops from Matadi.

Kasai Massacre. 44 Congolese civilians were killed in Luluabourg, capital of Kasai Province, Feb. 28-Mar. 1 by Congolese troops commanded by the Kasavubu government.

The government troops had reoccupied Luluabourg after the unexplained withdrawal and disappearance of forces commanded by the Stanleyville regime of Antoine Gizenga.

The Luluabourg massacre occurred after a mob of 2,000 Lumumbist supporters had besieged UN headquarters demanding the release of Maj. Leonard Mulamba, arrested by government troops for his cooperation with the Gizenga forces during their occupation of the city. The mob turned on government troops, killing 3 men with gunfire and stones. The troops retaliated by invading the Ndesha African township near Luluabourg and killing 44 persons at random.

UN Warns Katanga. A UN note transmitted to the Katanga regime Mar. 3 by Rajeshwar Dayal warned that UN troops would remain in Katanga until all Belgians were withdrawn in conformity with UN Security Council resolutions. The UN message demanded that Katanga take immediate steps to dismiss Belgians serving in its government and armed forces.

The N.Y. Times reported from Elisabethville Mar. 1-2 that 3 French officers had arrived in Katanga with Georges Thyssens, former Belgian Congo official, for talks on the replacement of Belgians in the Katanga forces by Frenchmen. The 3 reportedly were acting for Col. Roger Trinquier, retired French parachutist officer who had announced in Paris Feb. 4 that he would reorganize Katanga forces.

(The Times reported Mar. 2 that Katanga Pres. Tshombe currently controlled greater financial resources than the central government and all other Congolese factions: a Treasury reserve estimated to total 1½ billion Congolese francs [$30 million at official rates] and an annual revenue of $60 million from the Union Minière du Haut Katanga, the Belgian-controlled Katanga mining firm.) [See p. 69B1]

Algeria

Bourguiba-de Gaulle Talks. French Pres. Charles de Gaulle and Tunisian Pres. Habib Bourguiba conferred near Paris Feb. 27 and announced their agreement that "possibilities and hope" existed for "a positive and speedy evolution" of the Algerian rebellion.

The de Gaulle-Bourguiba conference was considered to be a major step toward the resumption of direct French-rebel negotiations on ending the 7-year Moslem insurrection in Algeria. [See p. 22F2; Vol. XX, 235D1]

Bourguiba, who had been vacationing in Switzerland, flew to Paris Feb. 27 and was driven to de Gaulle's Rambouillet estate for the meeting. The 2 leaders conferred privately and then met with Premier Michel Debré and other French and Tunisian officials before issuing a joint communiqué. The statement stressed that they had examined "the Algerian question . . . in the perspective of the future of North Africa" and noted "the closeness of their general views."

In statements issued in Paris after his meeting with de Gaulle, Bourguiba said he was convinced that de Gaulle "honestly and sincerely" sought peace and negotiations with a "free and independent" Algeria. He expressed hope that "above all the Algerian side" would respond to de Gaulle's attitude.

(The Bourguiba-de Gaulle talks had been arranged by Mohammed Masmoudi, Tunisian information minister and former ambassador to France, in a series of meetings with French, Tunisian, and Algerian rebel leaders. Masmoudi conferred with de Gaulle in Paris Feb. 8 and returned to Tunis to meet with Algerian rebel Premier Ferhat Abbas Feb. 13. He then flew to Zurich to see Bourguiba and returned to Paris to see de Gaulle Feb. 20 and fix the date for the meeting.)

Negotiations Pledged. The Algerian rebel Provisional government agreed Mar. 2 to the resumption of direct French-rebel peace negotiations.

The agreement was announced in a joint statement issued in Rabat by Premier Abbas, Pres. Bourguiba, and Moroccan King Hassan II. Bourguiba, who had traveled to Rabat to attend the funeral of the late King Mohammed V, conferred with Hassan and Abbas on the results of his talks with de Gaulle. Their communiqué said "no obstacle should interfere with the opening of direct negotiations between the French government and the Algerian nationalist provisional government in the framework of total decolonization." It "reaffirmed their determination to build the grand Maghreb," the proposed union of Algeria, Tunisia and Morocco.

Tunisian Information Min. Masmoudi told newsmen in Paris Mar. 7 that secret French-rebel talks already were under way to arrange fullscale peace negotiations. But French Premier Debré's office Mar. 7 denied reports that the secret talks had led to a "gentleman's agreement" to halt the Algerian fighting.

The rebels, in a statement published in their Tunis newspaper, El Moujahid, said Jan. 27 that they were prepared to offer Algeria's European community the choice of Algerian citizenship or a special status that would recognize their ties with France or other countries and assure their rights in Algeria.

(All Algerian men aged 20 to 30 living in Morocco were ordered Feb. 7 to report to rebel draft boards set up in Morocco to conscript forces for service in Algeria.)

French Army's Powers Cut. Decrees made public Mar. 1 by the Debré cabinet restricted the police and political powers of the French army in Algeria and returned certain of these functions to civilian control.

The decrees, drawn up by Algerian Min. Louis Joxe, (1) limited the army's power to detain suspected Algerian rebels and their supporters without formal charges, (2) created civilian prefects of police for the Algiers and Oran areas, and (3) reduced from 39 to 17 the number of Algerian arrondissements in which the army retained police powers. All orders for detention of suspected rebels were made subject to approval of civilian officials.

The Debré cabinet announced Feb. 1 that Gen. Jean Olié, 56, former commander of the Constantine region in Algeria and personal aide to Pres. de Gaulle, had been named to replace Gen. Paul Ely as French armed forces chief of staff, effective Mar. 1. Gen. Fernand Gambiez was named Feb. 1 to succeed Gen. Jean Crépin as French commander-in-chief in Algeria.

Rightist Leaders Convicted. 6 extremists on trial in Paris for leading the Jan. 1960 Algiers rightist insurrection against the de Gaulle regime were convicted in absentia Mar. 2 and were sentenced to terms ranging from 2 years in prison to death.

The 6, all of whom had fled abroad, were Pierre Lagaillarde (10 years imprisonment), Joseph Ortiz (death), Marcel Ronda (3 years), Robert Martel (5 years), Jean Meningaud (7 years), and Jean-Jacques Susini (2 years). 13 persons were acquitted, including Col. Jean Gardes, former French army psychological warfare chief in Algiers, Alain de Serigny, publisher of l'Echo d'Algier, Algeria's biggest daily newspaper, and Jean-Maurice Demarquet, former National Assembly deputy who voluntarily had returned to the trial Feb. 3 from Spain. [See Vol. XX, pp. 438B1, 25B1]

(Pierre Popie, 30, lawyer and leader of the Algerian MRP and other liberal groups, was stabbed to death in his Algiers office Jan. 25. Léon Dauvergne and Claude Peintre, French army parachutists, were disclosed Feb. 13 to have been arrested for the murder.)

(French army headquarters in Algiers announced Jan. 30 that 430 rebels had been "put out of action" in clashes with French troops Jan. 21-27. 8 French soldiers were killed Feb. 16 when their unit, patrolling the Tunisian border, accidentally was bombed by a French B-26.)

(The British freighter West Breeze, under charter to Communist China, was halted by the French navy and escorted to Oran Feb. 23 on suspicion of carrying a cargo destined for the rebels. The ship was released Feb. 26 after the cargo proved to be medicine.)

Western Europe

Mark-Guilder Revaluations. Upward currency revaluations of 4.75% were carried out by West Germany Mar. 4 and by the Netherlands Mar. 6.

The revaluations were expected to ease European pressure against the U.S. dollar and to reduce West Germany's persistent payments surplus.

The West German action, which re-

FACTS ON FILE is published weekly by Facts on File, Inc., 119 W. 57th St., New York 19, N. Y. (COlumbus 5-2011-2). Entered as 2d class matter June 24, 1941 at the Post Office in New York, N. Y., under the Act of March 3, 1879. Subscription $95 a year; Yearbooks (bound volumes) from 1945—$25 each. Cumulative Index published twice a month. Copyright 1961 by Facts on File, Inc. Edw. Van Westerborg, President & Treasurer; Lester A. Sobel, Secretary & Editor; Bernard Messinger, Business Manager

valued the Deutsche mark from 4.2 to 4 to the U.S. dollar, was put into effect by West German banks Mar. 4. The mark revaluation was undertaken primarily to (a) ease domestic inflation, (b) end the foreign payments imbalance in West Germany's favor, (c) curtail the growth of Bonn's foreign currency reserves ($6.603 billion Feb. 28). Its immediate effects would be to cheapen West Germany's imports, raise West German export prices and cause a withdrawal of capital and speculative funds from the mark to other currencies, including the U.S. dollar.

The Netherlands revaluation, taken primarily to maintain stability of Netherlands-West German trade and payments and to end the underpricing of Dutch goods abroad, raised the guilder's value from 3.8 to 3.6 to the U.S. dollar.

West Germany's official announcement of its revaluation was made at a Bonn press conference held Mar. 5 by Finance Min. Franz Etzel, Economy Min. Ludwig Erhard and Pres. Karl Blessing of the West German Central Bank. All 3 insisted that the revaluation had not been urged by the U.S. but had been ordered to halt West Germany's current inflation and to defend the mark's value.

(The Bonn Central Bank had relaxed reserve requirements Mar. 2 to release an estimated $100 million to the West German capital market and reduce the continued demand for foreign capital.)

A U.S. State Department statement issued Mar. 4 welcomed the West German revaluation as a "useful but modest step toward redressing . . . the basic imbalance in free world accounts" but emphasized U.S. hopes that West Germany would "take prompt steps toward . . . a large-scale program of foreign assistance on a continuing budgetary basis."

(The West German action produced what was described Mar. 6 as a "substantial" flow of funds from the mark into other currencies, primarily the dollar and Swiss franc. The Swiss government declared Mar. 6 that it would not revalue the franc.) [See pp. 71G1, 62E3]

European 'Summit' Talks. The heads of government and foreign ministers of the 6 EEC nations—France, West Germany, Italy, Belgium, Netherlands and Luxembourg—met in Paris Feb. 10-11 to discuss French proposals for a confederation that would coordinate the 6 countries' economic and political policies without subordinating their sovereignties to a new supra-national institution.

The 6 nations failed to reach agreement on the French plan. A communiqué issued Feb. 11 disclosed, however, that a commission had been set up to recommend procedures for periodic EEC political consultation and that a 2d European "summit" meeting would be held May 19 to consider the recommendations. The communiqué said the 6 states had studied the organization of a "closer political cooperation" intended to "lay the basis of a union that will develop progressively." It said that the envisaged union, while "limited for the moment" to the EEC states, "could be further extended in the future." It stressed EEC hopes for the development of "exchanges with other European countries, in particular with . . . Britain."

The N.Y. Times reported Feb. 13 that Britain had informed the 6 countries of Prime Min. Macmillan's readiness to participate in the Paris discussions but that the offer had been rejected on the ground that it would not be feasible for Macmillan to take part in the political talks and be barred from the economic discussions dealing with EEC matters.

It was reported Feb. 10-11 that France's confederation proposal had met with opposition, particularly from the Netherlands, because the de Gaulle plan for establishing a permanent secretariat to supervise confederal decisions would not lead to genuine political integration based on the EEC and other supra-national European institutions. It also was feared by the Netherlands and West Germany that the French plan was intended to weld Europe into an economic and military bloc that would exclude Britain and other EFTA states and would follow a "3d force" policy independent of the U.S.

The Paris meeting was attended by French Pres. de Gaulle, West German Chancellor Adenauer, Italian Premier Amintore Fanfani, Belgian Premier Gaston Eyskens, Netherlands Premier Jan E. deQuay and Luxembourg Premier Pierre Werner. Adenauer and de Gaulle had conferred privately Feb. 9 before the Paris meeting. De Gaulle was said to have sought, unsuccessfully, to allay Adenauer's opposition to any plan that would "freeze" the 6 EEC nations into an exclusive power bloc closed to Britain.

(West Germany disclosed Jan. 13 that it had reassured France that recent attacks on the EEC made by Economy Min. Ludwig Erhard did not represent West German policy. Erhard had charged that the EEC, by its creation of an exclusive trade area, had divided Europe economically and was driving Britain away from integration with Europe. Erhard later accused EEC Pres. Walter Hallstein of deliberately hampering efforts to integrate the EEC and EFTA zones. The Bonn disavowal reportedly was ordered personally by Adenauer.)

Macmillan-de Gaulle Talks. Prime Min. Macmillan and Pres. de Gaulle met Jan. 28-29 for private and informal political discussions at de Gaulle's Presidential estate in Rambouillet, near Paris. Their talks, joined Jan. 29 by French Premier Michel Debré and Foreign Min. Maurice Couve de Murville, were said to have centered on Europe's threatened economic division and its position with respect to the U.S.' Kennedy Administration, as well as East-West and African questions.

EEC Tariff Cut. The 6 EEC nations, carrying out an accelerated program for reducing the common market's internal tariffs, cut them 10% for industrial imports from member states and 5% for imports of certain agricultural products, both reductions effective Jan. 1. This brought to 30% the total of EEC internal tariff cuts since Jan. 1, 1958. Simultaneous adjustments in EEC nations' tariffs on imports from non-member states reduced by 30% the difference between any specific tariff varying more than 15% above or below an agreed EEC average tariff on the specific import. Continued adjustments were expected to result in a uniform EEC external tariff by 1966. Steps also were taken to end all import quotas and quantity restrictions by the end of 1961.

EEC Vice Pres. Robert Marjolin reported to the European Parliamentary Assembly (EEC deliberative body) in Strasbourg Jan. 19 that the 6 nations' industrial production had risen 12% and their total gross national products 7% during 1960. (An EEC Commission report cited Jan. 10 by the N.Y. Times had estimated the industrial production increase at 8% in 1960, compared with 14% in 1959.)

The European Coal & Steel Community's High Authority reported Jan. 11 that ECSC steel production had risen to a record 72,800,000 tons in 1960. The largest increase was reported from Italy, whose steel output rose by 21.5% to 6,700,000 tons in 1960.

SPACE

U.S. Program. The UPI reported Mar. 2 that NASA officials had told the Senate Space Committee of U.S. plans to launch more than 12 probes to the moon and more than 5 to Venus and Mars as part of a 10-year space exploration program.

The moon explorations were to start with the launching of a 750-pound Ranger probe between July and Sept. 1961, followed by 4 more Rangers before the end of 1962. The last 3 Rangers were to attempt to put 300-pound instrument packages on the moon by "hard landings" at 300 feet a second. The next U.S. moon craft were to be 7 Surveyor probes, weighing 2,500 pounds each, to be launched in 1963-65. They were to try to install 750-pound instrument capsules on the moon by "soft landings" at 10 feet a second. The NASA hoped that the first 15,000-pound Prospector probe, which would land a "moon jeep," would be launched in 1966. The plans called for the dispatch of a space ship carrying 3 men around the moon and back in 1969 and the landing of a manned vehicle on the moon in 1971.

At least 5 1,100-pound Mariner probes to the vicinity of Venus and Mars were scheduled. The first, a Venus shot, was to be launched in Aug. 1962. They were to be followed by a 1966-70 program to put Voyager satellites into orbit around Venus and Mars. These satellites were to drop 2,000-pound capsules to the 2 planets and were to pick up radioed data from the capsules for relay to earth.

The NASA officials also reported plans to launch 6 weather and 11 communication satellites into orbits around the earth and to have a manned scientific satellite in orbit by 1968-69. [See pp. 71F3-72A3, 64E1-B3, 53C1-E3]

U.S., Soviet Programs Contrasted. The N.Y. Times reported Feb. 26 that

a U.S. NASA study, prepared at the request of Chrmn. Overton Brooks (D., La.) of the House Science & Astronautics Committee, had concluded that despite the USSR's "great achievements in space technology," "nearly all the highly original work in space research has come out of the U.S. program." The report asserted that the Soviet space program "has dissipated some of its momentum" whereas the U.S. program "has picked up momentum . . . and now surpasses the USSR effort in its breadth of interest, originality of concept and volume of research." The Soviet lead in payload capability was used for projects with great propaganda possibilities, the report said. [See Vol. XX, p. 377G2]

(U.S. Army Lt. Col. Paul D. Hickman asserted at the National Security Seminar Conference in Honolulu Jan. 13 that the U.S. had "good evidence" that 2 Soviet astronauts had been killed in unsuccessful attempts to put a man into space. One of the failures occurred during Soviet Premier Khrushchev's Sept. 1960 visit to the UN, Hickman said. The Pentagon immediately denied having evidence to back Hickman's story.) [See p. 53D3; Vol. XX, 438C2]

U.S. Capable of Big Boosters. Dr. Ernest R. Roberts, assistant manager of the Aerojet-General Corp.'s solid-fuel rocket facilities in Sacramento, Calif., asserted Feb. 22 that "all that is needed" was "the go-ahead" for U.S. rocket experts to build a booster rocket with 7-9 million pounds of thrust. "There are no technical problems," and the job could be done in 2 years, the AP quoted Roberts as saying. He proposed that the booster be created by clustering solid-fuel rockets. A 9 million-pound-thrust booster, which would be about 6 times as powerful as the liquid-fueled Saturn still being developed, could orbit a 100,000-pound payload, Roberts said. [See p. 37D-G3]

Blue Scout Passes Test. A solid-fueled Blue Scout II 4-stage rocket launched from Cape Canaveral Mar. 3 carried a 172-pound secret instrument package to an altitude of 1,580 miles for a variety of experiments including studies of radiation and the earth's magnetic field. The launching was a test of the Blue Scout, built by Ford Motor Co.'s Aeroneutronic Division and dubbed the "poor man's rocket" because it could be produced at a cost of $500,000. The Blue Scout was scheduled to be used for military (Air Force) satellites and space probes whereas the similar solid-fueled 4-stage rocket, the Scout, tested successfully at Wallops Island, Va. as an economy satellite launcher, was being used in civilian projects. [See pp. 72F1, 36C-D2; Vol. XX, 468B-D1]

Polaris Role Urged. Navy witnesses urged the House Science & Astronautics Committee Feb. 20 to let the Navy develop a solid-fueled Sea Scout rocket, based on the Polaris missile, for use as a satellite launching vehicle. The Sea Scout would be a 4-stage rocket using the Polaris as the first 2 stages and 2 stages from the NASA's Scout rocket as top stages. The Navy's fiscal 1962 budget originally had included funds for 4 Sea Scout satellite launchings, but Navy officials said that Dr. Herbert F. York, Pentagon research and development director, had eliminated this allocation and had ordered the Navy not to use other funds for the Sea Scout.

Rear Adm. Thomas F. Connolly of the Bureau of Naval Weapons told the committee Feb. 20 that the Sea Scout would be relatively cheap (half the cost of the Air Force's liquid-fueled satellite launchers), would be built from proven rockets, and would be fired by crews already trained and from launching pads and ships already available. He said other obvious "advantages [would be] gained by being able to launch a satellite from any latitude or longitude." [See p. 13A-B2; Vol. XX, 420C3, 42E1]

Explorer X Fails. An attempt to put an Explorer X "space-brain" satellite into orbit failed when the upper stages of the 4-stage Juno II booster rocket, fired from Cape Canaveral Feb. 24, did not ignite. The 75-pound spherical instrument package had been designed to study the ionosphere's effects on longrange radio & TV signals. [See p. 72F1]

Venus I Data. Pravda reported Feb. 26 that the USSR's Venus I probe was an airtight cylindrical body with 2 bulges for scientific equipment and chemical batteries. Also protruding from the outside was additional scientific equipment, 2 solar batteries, the shutters of the heat regulating system, parts of the orientation system and 4 aerials. Excluding the aerials and batteries, the probe measured 2,035 millimeters (80 inches) in length and 1,050 millimeters (41 inches) wide.

Pravda said large new aerials had been installed at sites of the "outer space radio communication center" to receive data from Venus I. It reported that special ships had been sent to sea to help monitor the probe. Instruments aboard Venus I were "switched on and off" by radio signal from the earth stations, Pravda said. Functioning Venus I instruments included devices to record micrometeorites and to measure cosmic rays, magnetic fields, charged gas particles and corpuscular sun rays. [See pp. 53D1-D2, 64D-E3]

Rat Rides French Rocket. A rat named Hector was inclosed in a space capsule and shot to a height of more than 90 miles by means of a French Veronique rocket launched from the French missile base near Colomb-Bechar in the western Sahara Feb. 22. Hector was recovered alive 25 miles from the launching site. Instruments radioed data on his reactions during the flight. [See pp. 63G3, 36C1-A2]

NATIONAL AFFAIRS

The President

Peace Corps Formed. Pres. Kennedy announced at his news conference Mar. 1 that he had signed an Executive Order establishing "on a temporary pilot basis" a Peace Corps of trained Americans for service abroad "to help foreign countries meet their urgent needs for skilled manpower." The President Mar. 1 also sent Congress a message proposing the authorization of a permanent Peace Corps.

Mr. Kennedy said he hoped that 500 to 1,000 qualified Americans would serve abroad in the Peace Corps in 1961. But, he warned: "It will not be easy. None of the men and women will be paid a salary. They will live at the same level as the citizens of the country which they are sent to, doing the same work, eating the same food, speaking the same language." Teaching, agriculture and health skills would be emphasized, he said.

White House Press Secy. Pierre Salinger announced Mar. 4 that Pres. Kennedy had designated his brother-in-law, R. Sargent Shriver, 45, to be director of the Peace Corps. Shriver had directed the planning of the Peace Corps since January and had operated a Peace Corps headquarters with a staff of 30 since Feb. 10. Salinger said Shriver would serve without pay in a temporary "unnamed" $19,000-a-year post, approximating that of an Assistant State Secretary, that had been authorized by Congress in 1950.

Shriver planned to relinquish his job, held since 1948, as assistant general manager of the Chicago Merchandise Mart, owned by the President's father, Joseph P. Kennedy. (Shriver had resigned as president of the Chicago Board of Education. He had married Eunice Mary Kennedy in 1953, had been assistant editor of Newsweek 1945-46 and had been associated with the Joseph P. Kennedy Enterprises 1946-48.)

Pres. Kennedy in his message to Congress credited Sen. Hubert H. Humphrey (D., Minn.), Rep. Henry S. Reuss (D., Wis.) "and other" Congress members with advocacy of the Peace Corps idea "or some similar approach." [See Vol. XX, p. 387-F2]

The President said in his message to Congress: The temporary Peace Corps was being established in the State Department under existing authority of the Mutual Security Act and would be paid for out of current foreign aid appropriations; the personnel would be made available to underdeveloped countries through private voluntary agencies, colleges and universities, international agencies, U.S. assistance programs and new Peace Corps programs; "the initial emphasis of these programs will be on teaching"; projects were to have a "sound economic or social justification" and were to be undertaken only after consultation with leaders of countries concerned; "all Americans who are qualified will be welcome to join . . . but undoubtedly the corps will be made up primarily of young people as they complete their formal education"; recruits would be trained from 6 weeks to 6 months in the culture and language of a foreign country; for service ranging from 2-3 years, they would get (a) an allowance "sufficient to meet their basic needs" to "live simply and unostentatiously," (b) nominal severance pay (about $50-75 for each month of service); they would not be exempt from Selective Service.

The President said in his message that he hoped "other nations will mobilize . . . some form of Peace Corps . . . in a major international effort to increase the welfare of all

men and improve understanding among nations."

Salinger Mar. 4 announced the appointment by the President of this "nucleus" of a Peace Corps staff to organize the pilot program: Forrest Evashevski, University of Iowa athletic director; Warren W. Wiggins of the ICA; Edwin R. Bayley of Wisconsin; ex-Rhodes scholar and attorney Morris B. Abram; Gordon Boyce, president of the Experiment in International Living; Albert G. Sims, vice president of the Institute of International Education; Dr. Howard Rusk, chairman of the NYU Medical Center's Physical Medicine and Rehabilitation department; Louis E. Martin, editor of the Chicago Defender, a Negro newspaper; Thomas H. E. Quimby of Michigan; Dr. Arthur S. Adams, president of the American Council of Education; Lawrence E. Dennis, a Pennsylvania State University vice president; Lester Gordon of the Development Loan Fund; John D. Young of the NASA; Bradley Patterson, ex-assistant secretary of the Eisenhower cabinet.

Shriver announced Mar. 6 that these 4 persons had formed a "career planning board" to aid returning Peace Corpsmen obtain jobs after their service: Federated Department Stores Pres. Ralph Lazarus; AFL-CIO Vice Pres. Joseph A. Beirne; Asst. State Secy. Roger W. Jones; Chicago Schools Supt. Benjamin C. Willies.

Shriver revealed at a news conference Mar. 6 that the Selective Service director, Maj. Gen. Lewis B. Hershey, had said Peace Corps men probably would be given draft deferment while serving and "further deferment [for a readjustment period]—but not exemption from military service" after 2 years' Peace Corps service.

Congress received Feb. 26 a study it had ordered of the Peace Corps program, made by Dr. Maurice L. Albertson, Pauline E. Birky and Andrew E. Rice of the Colorado State University Research Foundation with a $10,000 appropriation. The study said its research teams sent to Nigeria, Gabon, Thailand, India, Pakistan, the Philippines, Colombia, Mexico, Chile and Haiti, had reported "a high degree of receptivity" for the idea. The report estimated the annual cost to maintain a 5,000-man corps overseas at $50 million. (Shriver estimated Mar. 6 that the program would cost $10,000-$12,000 a year per man overseas.)

The President said Mar. 5 that he hoped the "reservoir of talent"—revealed by the response to the Peace Corps plan—could be used in the U.S. to meet problems of slums, education and retraining. Pres. Kennedy appeared on Mrs. Franklin D. Roosevelt's TV program "Prospects of Mankind," filmed Mar. 5 for 54 educational TV stations, and said the response to the Peace Corps showed that "really thousands and . . . thousands of people" in the U.S. wanted a chance to serve in it.

The N.Y. Times reported Mar. 2 that Mr. Kennedy had received more letters (about 6,000) about the Peace Corps than about any other issue and that within a few hours of the announcement of its establishment, the Peace Corps headquarters had more calls from volunteers and inquirers than it could handle. [See p. 7D-G1]

'Ike' Denies Criticism. Sen. Karl E. Mundt (R., S.D.) visited ex-Pres. Eisenhower at Palm Springs, Calif. Feb. 18, and then said in a newsletter to his constituents Feb. 26 that Eisenhower believed the Kennedy Administration was "too much left of center; too partisan; too slanted toward programs supported by union bossism." The views were denied by Eisenhower in a statement released by his secretary the same day.

Eisenhower said that Mundt's statement "does not accurately describe . . . my views . . . and I very much regret its issuance." "Evidently," he said, Mundt "intended to repeat in detail our private and purely social conversation. . . . His interpretations differ markedly from my own."

Mundt said Feb. 27 he had interpreted Eisenhower's reactions as he had "sensed them."

Equal Job Rights Ordered. Pres. Kennedy Mar. 6 ordered the creation of "vastly strengthened machinery" "to insure that Americans of all colors and beliefs will have equal access to employment" by the government and its contractors. His Executive Order 10925, to be effective within 30 days, established the President's Committee on Equal Employment Opportunity to replace the Committee on Government Employment Policy and the Committee on Government Contracts.

Vice Pres. Lyndon B. Johnson was designated chairman of the committee. Labor Secy. Arthur J. Goldberg was named vice chairman and was to supervise the committee's work and execute and implement its policies. Members of the committee were to be the Secretaries of Commerce, Defense, Army, Navy and Air Force, the Attorney General, the chairmen of the Atomic Energy Committee and the Civil Service Commission, the administrators of the General Services and the National Aeronautics & Space Administration, and an ex-officio executive vice chairman to be designated by the President.

The order directed that (a) a study be submitted to the President within 60 days of the "status of members of minority groups" within the government, (b) all departments broaden government employment opportunities for such groups.

The order forbade discrimination in any phase of employment by any government contractor. In addition, government contractors were required to: (1) sign new contracts that included the strengthened provisions; (2) notify their contracted labor unions or groups of the contractors' commitments to the government under the order; (3) permit access to records for "investigation to ascertain compliance" with the committee's rules; (4) file "compliance reports" that included reports on any labor group's policies that affected the contractors' compliance. The "compliance reports" were also to include upon request signed statements from the labor groups affirming their non-discriminatory practices.

(Exemption: certain contracts for work done outside the U.S.)

Under Executive Order terms: (a) "with respect to the practices and policies of any . . . labor organization," the committee was empowered to hold public or private hearings and to report to the President, to "recommend remedial action," and to notify any federal, state or local agency of its findings; (b) with respect to contractors, the committee was empowered to investigate, hold public or private hearings, publish names of non-compliers, terminate or refuse contracts and recommend to the Justice Department that "appropriate proceedings [including enjoining] be brought to enforce" its provisions against non-compliers and that criminal proceedings "be brought for the furnishing of false information."

The order provided that "conference, conciliation, mediation and persuasion" should be tried first before corrective proceedings were started through the Justice Department. [See pp. 74A-B2, 15B1]

CG Cadet Equality Order. Pres. Kennedy directed the Coast Guard Academy to give qualified Negroes an opportunity to attend the academy, the AP reported Jan. 30. It said the President had noticed no Negroes marching with the cadets in the inaugural parade, had queried the academy and had learned that there were no Negroes at the Academy and only one Negro among the 2,500 Coast Guard officers.

Copper Cartel Rejected. Pres. Kennedy asked the State, Interior and Commerce Departments to "reexamine and keep under review the copper situation" and give their views to Sen. Mike Mansfield (D., Mont.), the Wall Street Journal reported Feb. 28. Kennedy's action, an implicit rejection of Mansfield's request for a copper conference toward establishing a copper cartel, was revealed in a letter from Presidential Asst. Lawrence O'Brien to Mansfield. [See p. 46B-C2]

Tariffs Raised. Import duties on foreign-made bicycles were raised 50% by Pres. Kennedy Feb. 25. The rates, decided upon in negotiation with the principal foreign suppliers—Great Britain, West Germany, the Netherlands, Belgium, Luxembourg and Austria—were raised from $1.27½ per bicycle to $3.75. (In 1959 28% of bicycles sold in the U.S. were imports.)

The President Feb. 25 also ordered that import duties on bulk pineapple be raised to range from 27¢ to 35¢ per crate. [See p. 46A-B1]

Diplomatic Appointments. Maj. Gen. Anthony Joseph Drexel Biddle Jr., 64, adjutant general of Pennsylvania, was nominated by the President Feb. 24 to be ambassador to Spain. Biddle had been envoy to 8 governments simultaneously in London during World War II when ambassador to the governments-in-exile of Poland, Belgium, the Netherlands and Norway and minister to the governments-in-exile of Yugoslavia, Czechoslovakia, Greece and Luxembourg. [See Vol. XI, p. 82P]

William Attwood, 41, foreign editor of Look magazine, was named by the President Feb. 17 to be ambassador to Guinea.

Walworth Barbour, 52, was designated ambassador to Israel Mar. 7. Barbour, deputy chief of mission in London since 1955, was director of Eastern European Affairs 1951-54, Deputy Assistant State Secretary 1954-55. [See Vol. XII, p. 191E]

J. Graham Parsons, 53, was designated by the President Feb. 25 to be ambassador to Sweden. Parsons, Assistant State Secretary for Far Eastern Affairs, had been ambassador to Laos 1956-58, and had been blamed by ex-Laotian Premier

Souvanna Phouma for an allegedly "disastrous American policy toward Laos." [See p. 23F1]

The nomination of William B. Macomber Jr., 39, to be ambassador to Jordan was sent to the Senate Feb. 28. He had been Assistant State Secretary for Congressional Relations since 1957. (See Vol. XX, p. 319F3]

A Pres. Kennedy Feb. 28 designated Amb.-to-Norway Frances E. Willis as ambassador to Ceylon. [See Vol. XX, p. 414B2]

The President Feb. 17 designated Frederick Ernest Nolting Jr., 49, to be ambassador to Vietnam. Nolting had been representative to the North Atlantic Council since 1957.

• Pres. Kennedy Feb. 23 designated Raymond Lawrence Telles, 45, mayor of El Paso, Tex., to be ambassador to Costa Rica, the highest post ever assigned to a citizen of Mexican ancestry.

Deputy Asst. State Secy. Aaron S. Brown, 47, was designated by the President Feb. 23 to be ambassador to Nicaragua.

The President announced Mar. 6 his designation of Edward Grant Stockdale, 45, a Florida B realtor and close friend, to be ambassador to Ireland. Stockdale was administrative assistant to Sen. George A. Smathers (D., Fla.) 1946-48 and was elected to the Florida Legislature in 1948. A White House press release said he was the first Southerner to introduce anti-Ku Klux Klan legislation.

• Mrs. Franklin D. Roosevelt was nominated by Pres. Kennedy Feb. 28 to be a delegate to the UN General Assembly. [See Vol. XX, p. 488B1]

Pres. Kennedy Feb. 16 nominated Mrs. Marietta P. Tree, 43, to be U.S. representative on the UN Human Rights Commission. Mrs. Tree was a member of the N.Y. City Commission on Inter-Group Relations.

The President Feb. 25 designated Mrs. Gladys Avery Tillett, 68, to be representative to the C UN's Commission on the Status of Women and to be an alternate delegate to the General Assembly. Mrs. Tillett was vice chairman of the Democratic National Committee 1940-50 and a delegate to UNESCO 1949.

Pres. Kennedy Feb. 28 nominated Clifton R. Wharton, 61, a Negro, to be ambassador to • Norway. [See Vol. XVIII, p. 55B3]

The President announced Feb. 16 that he had asked these 13 ambassadors to continue in their posts: H. Freeman Matthews, Austria; John M. Cabot, Brazil; Edward Page Jr., Bulgaria; William C. Trimble, Cambodia; W. Wendell Blancke, Republic of Congo (Brazzaville); Christian M. Ravndal, Czechoslovakia; Maurice M. Bernbaum, Ecuador; Robert N. Newbegin, Haiti; Robert D McClintock, Lebanon; Frederick P. Bartlett, Malagasay Republic; Thomas K. Wright, Mali; Henry E. Stebbins, Nepal; Andrew G. Lynch, Somali Republic.

Subcabinet Appointments. Pres. Kennedy Feb. 28 nominated Amb.-to-Thailand U. Alexis Johnson, 52, to • be Assistant State Secretary for Far Eastern Affairs. Johnson had been deputy Assistant State Secretary for Far Eastern Affairs 1951-53, ambassador to Czechoslovakia 1953-58. [See Vol. XVIII, p. 215C2]

E Mr. Kennedy Feb. 28 formally nominated Philip H. Coombs of the Ford Foundation, secretary to the Fund for the Advancement of Education, to be Assistant State Secretary for Educational & Cultural Affairs.

Pres. Kennedy announced Feb. 16 his designations of: Minnesota Supreme Court Justice Lee • Loevinger, 47, former law partner of Agriculture Secy. Orville L. Freeman, to be Assistant Attorney General in charge of the Anti-Trust Division (the Senate confirmed the nomination Mar. 8); Ramsey Clark, 33, son of Supreme Court Justice Tom C. Clark, to be Assistant Attorney General to head the Lands Division; Herbert J. Miller, Jr., 37, a Republican, former counsel to the Teamsters board of monitors, to be Assistant Attorney General to F head the criminal division.

The President Feb. 20 nominated: Richard S. Morse, 43, organizer of the National Research Corp. and director of Army Research & Development since 1959, to be Assistant Army Secretary for Research & Development; William F. Schaub, chief of the Budget Bureau's military division, to • be Assistant Army Secretary for Financial Management.

Pres. Kennedy Feb. 21 designated: Richard James Murphy, 31, former executive director of the Young Democrats division of the Democratic National Committee, to be Assistant Postmaster General for Personnel; George D. O'Gorman, 44, assistant sales manager for the American Express G Co. in New York since 1956, to be Assistant Postmaster General for Transportation; Christopher Columbus Scott, a Negro, to be Deputy Assistant Postmaster General.

(The appointment of Richard N. Gardner, 33, as Deputy Assistant State Secretary for International Organization Affairs was announced by the State Department Mar. 4.)

Other Appointments. Pres. Kennedy announced Feb. 14 his designation of Richard M. Scammon, 45, to be Census Bureau director. Scammon was director of elections research for the Governmental Affairs Institute and a senior consultant to Louis Harris & Associates, public opinion pollsters. [See Vol. XX, p. 90B3]

Raphael M. Paiewonsky, 53, was nominated by the President Feb. 28 to be governor of the Virgin Islands. Paiewonsky, a native of the islands, served on the Municipal Council for St. Thomas and St. John Islands and as a Democratic National committeeman 1940-46.

Dr. Leland J. Haworth, 56, director of the Brookhaven Laboratory since 1948, was designated by the President Feb. 25 to be a member of the Atomic Energy Commission. Haworth, who taught physics at the universities of Wisconsin and Illinois, did radiation research with MIT during World War II, was president of the American Nuclear Society 1958-59.

Pres. Kennedy Feb. 28 formally nominated William L. Carey and J. Allen Frear to the SEC, Frank W. McCulloch to the NLRB, Charles Minor Meriwether to the Export-Import Bank board, (he was confirmed by a 67-18 Senate vote Mar. 8 after he had denied charges that he was racist and anti-Semitic) and Joseph P. McMurray, 48, to the Federal Home Loan Bank Board (he had been designated chairman Feb. 14).

Pres. Kennedy Feb. 24 designated as chairman of the Federal Maritime Board its current vice chairman, Thomas E. Stakem Jr., 53. Stakem, a Democrat, also was to be Maritime Administrator.

Harvard Prof. Henry A. Kissinger, 37, was appointed by Pres. Kennedy Feb. 27 as a part-time consultant on national security. Kissinger wrote the book, Nuclear Weapons and Foreign Policy (1948). [See Vol. XIX, p. 191B3]

Robert S. Benjamin, 51, was appointed by Pres. Kennedy Mar. 6 to be national chairman of the U.S. Committee for the UN. Benjamin, a partner of the Phillips, Nizen, Benjamin, Kirm & Ballon law firm in New York, was financial chairman of the Democratic Advisory Council.

Nomination Withdrawn. Pres. Kennedy Mar. 7 withdrew ex-Pres. Eisenhower's nomination of Edward K. Mills Jr. to the FTC. [See Vol. XX, p. 358G1-A2]

Defense

A-Arms Policy Shift Denied. State Secy. Dean Rusk Feb. 28 denied a Feb. 27 Washington Evening Star report that he had recommended sharp restrictions on the role of nuclear weapons in the U.S.' international defense policy. The Star article said that Rusk had proposed in a memo to Defense Secy. Robert S. McNamara that "even massive attacks on Europe should be met with conventional [rather than nuclear] weapons."

The Star article said the memo recommended that (a) an attack on European allies should not be countered with nuclear weapons unless the enemy used them first, (b) the U.S. should use nuclear weapons only to block attacks on the U.S. or to deter "nuclear blackmail," (c) the airborne alert should be discontinued, (d) U.S. troops, rather than troops of the attacked country, should meet limited aggressions outside Europe.

State Department press officer Lincoln White said Feb. 27 that the Star story was "a grossly distorted version" of the views Rusk had given to McNamara.

Rusk Feb. 28 labeled the Star report "highly inaccurate." He said he favored strengthening conventional defense forces of the non-Communist world while maintaining its nuclear power. He said it was known that the U.S. was determined to "back" its commitments to the defense of the free world. White told reporters Feb. 28 that Rusk had expressed similar views in a meeting with the Senate Foreign Relations Committee earlier that day.

Pres. Kennedy affirmed at his news conference Mar. 1 that the U.S. was "anxious to . . . see conventional forces strengthened, not only in Western Europe, but throughout the world." "When—if we do reach a change in our reliance on new weapons," he said, "we will make it very clear." [See p. 54E2-B3]

Missile Site Lag. Chrmn. Harry R. Sheppard (D., Calif.) of a House Appropriations subcommittee charged Feb. 26, after a week of closed hearings into delays in ICBM base construction, that the program "has been marked by failure of top-level management to exercise proper control." The full House Appropriations Committee Mar. 3 demanded that the Defense Department immediately appoint a single official to take charge of the program.

The program, started in 1957, was designed to provide facilities for 450 Atlas, Titan and Minuteman ICBMs, but delays of up to 6 months were reported in the Atlas program. Only 9 Atlases were in place at surface sites and none in underground sites.

Subcommittee testimony made public Feb. 26 showed that the Army Engineers had increased their cost estimates for the Atlas and Titan base program from an initial total of $899 million to a current total of $992 million—figures that did not include expenses for installation and checkout of missile equipment. Contractors who testified blamed at least some of the delays and increased costs on inadequate direction, on red tape and on the Air Force's "concurrence" policy under which the bases were built while the missiles were still being developed and therefore were subject to constant change orders.

Labor problems at missile sites were being investigated by the Senate Investigations Subcommittee, headed by Sen. John L. McClellan (D., Ark.). A pledge of "no strikes" at missile sites was made Feb. 15 by leaders of the AFL-CIO Building & Construction Trades Department. Strikes had cost 73,000 man-days of work at missile sites in fiscal 1960. Pentagon sources said the loss was less than 1% of total time worked, but McClellan aides said the 1% figure did not cover the loss of base construction-days and had no bearing on the increased costs for making up for lost time. [See Vol. XX, p. 359A-B3]

ICBM Shield Unlikely. Defense scientists told the House Science & Astronautics Committee Feb. 16 that they were pessimistic over the U.S.' chances of developing a full coast-to-coast defense against intercontinental ballistic missiles. This testimony was given by Dr. Jack P. Ruina, director of the Defense Department's Advanced Research Projects Agency, and by Dr. Herbert F. York, Defense Department research and development director. Ruina was devoting about half the ARPA's $170 million fiscal 1962 budget to research on ICBM defense, but he and York agreed that

their greatest hope for the most promising U.S. anti-ICBM system currently under development, the Army's Nike Zeus, was that it might defend selected areas of the country. About $250 million was budgeted for Zeus research and development in fiscal 1962. [See p. 13F1; Vol. XX, 20E2]

Teamsters Union

Monitors Disbanded. U.S. District Judge F. Dickinson Letts in Washington Feb. 28 dissolved the Teamsters Bro'hood's board of monitors and authorized the Teamsters to call a convention for an election. Letts had established the monitors board in 1958 at the request of insurgent Teamsters members for the purpose of "cleaning-up" the union. Letts' action barred payment of the insurgents' lawyers by the Teamsters.

Letts Mar. 3 denied requests of 3 insurgent groups for tighter rules overseeing the convention. He simultaneously approved Teamster Pres. James R. Hoffa's plans for the convention. [See Vol. XX, p. 401C-F2]

Hoffa Bars National Strike. Hoffa said Feb. 6 that he never would call a nationwide truck strike. "It isn't good business for the union," he declared.

Hoffa, conducting quarterly meetings of the Teamsters general executive board in Miami Beach, said his union's regional contracts guaranteed uniform basic conditions and were "already in effect" on a national scale. Negotiation of the first nationwide Teamsters agreement would await current contract expirations in 1964, Hoffa declared. [See Vol. XX, pp. 379F1, 81A2]

Hoffa had announced in Chicago Jan. 18 the agreement on a 3-year contract with 7,000 truck companies in 13 midwestern states to cover 200,000 truck drivers and dock workers.

The agreement, effective Feb. 1, was reached after 3 months of negotiations.

It provided an estimated hourly package raise of 43c (weekly 50c welfare fund and $1 pension fund raises the first and 3d years plus hourly wage raises ranging from 28c to 32c). Hoffa said this would raise by the end of the 3d year hourly wages of local cartage drivers and loading dock workers to $2.99 and of long-distance drivers to a minimum of $2.99 in addition to their mileage payments.

The companies agreed not to penalize Teamsters members who refused to cross picket lines of another union or to handle goods ("hot cargo") of a manufacturer involved in a labor dispute.

The contract covered Teamsters members in Illinois, Michigan, Ohio, Indiana, Wisconsin, Minnesota, South Dakota, North Dakota, Nebraska, Iowa, Kansas, Missouri and Kentucky.

(The companies united stand prior to the settlement had been broken when John L. Keeshin, head of 5 Midwest trucking companies employing about 1,600 teamsters, had signed a similar contract in Dec. 1960, according to a Dec. 22, 1960 Wall Street Journal report. The report said Keeshin had agreed to pay a flat fee of $5 per piggyback trailer per trip if a proposed study group had not worked out a solution to the piggybacking problem by Feb. 1, 1962. Piggybacking meant delivering loaded truck trailers to railroads and loading them on railroad flat cars.) [See Vol. XX, p. 338A-B3]

Senate Probe. Renewed hearings into the activities of Hoffa and the Teamsters Bro'hood were held in Washington Jan. 10-12 and Jan. 24-25 by the Senate Permanent Investigations Subcommittee under Sen. John L. McClellan (D., Ark.). Hoffa made his 15th and 16th appearances before investigating Senators Jan. 24-25.

Among the hearings' highlights:

Jan. 10—McClellan said the panel had information that N.Y. Teamsters Local 239 might be secretly controlled by a racketeer "with the knowledge and consent" of Hoffa.

The subcommittee introduced as evidence a tape recording (made by a N.Y. detective) of a conversation alleged to have taken place in the apartment of Antonio (Tony Ducks) Corallo, underworld figure and ex-Teamsters official. The conversation was said to have been among Corallo and 2 Local 239 officials, Bernard Stein and Mack Tane, after Tane and Stein had returned from a Washington visit to Hoffa June 30, 1959. The visit to Hoffa had concerned ex-Local 239 Pres. Sam Goldstein, who began in 1959 a prison term for bribery.

A voice identified as Stein's said on the recording: "He [allegedly Hoffa] says, 'I don't give a . . . what you do.' . . . I'm saying his words: 'I don't care if you want to—you want to steal, you want to rob, go ahead,' he says. 'Don't get caught, . . . I don't care how you take the money. . . . Get it under the table—get it any way you want.' And Tony, he says, 'Let time go by a year, he can go back on the payroll,' he says. . . . He says it's all over. 'All the wind is gone. And this punk kid here, Kennedy,' he calls him 'punk kid' . . . "he'll be gone too'." (Atty. Gen. Robert F. Kennedy was at that time chief counsel of the McClellan subcommittee.)

Stein and Tane invoked the 5th Amendment in refusing to answer subcommittee questions.

Jan. 11—Anthony Castaldi and John Spada invoked the 5th Amendment in refusing to tell how or why they had been put on Local 239's payroll Sept. 12, 1958, the day Corallo resigned as vice president, although they had no known duties. Castaldi was replaced Jan. 16, 1959 by Joseph B. D'Auria, who also had no known duties. Stein had cashed the paychecks of D'Auria and Spada, according to investigators.

Jan. 12—Subcommittee evidence was introduced in an effort to show that Henry Pieretti, D'Auria, Spada and Castaldi had drawn $69,985 in unearned salary and expenses from Local 239 as "organizers" for a 26-month period ended Nov. 1960 (total 1959 annual income of Local 239 was listed as $207,000) and that Joseph Monica had received a $225 weekly salary as administrator of the local's $600,000 welfare fund, which Stein actually had administered.

The witnesses' counsel, Amedeo L. Lavritano, indicated under questioning by Sen. Carl T. Curtis (R., Neb.) that his fees were being paid by Local 239, not by the witnesses.

Stein, Tane, Monica and Pieretti invoked the 5th Amendment.

Jan. 24—Hoffa testified for 2½ hours and said he had conferred with a New Yorker, tentatively identifying him as Stein, and had told him "in no uncertain terms" that Goldstein had to go. He called the recorded conversation "a fabrication and a lie." Concerning the reference to Kennedy, Hoffa said, "I deny I made it," but he added that it was so long ago that he couldn't recall exactly.

Martin F. O'Donoghue, former Teamsters monitor chairman, produced photostatic copies of union checks he said had been forged as part of a misappropriation of about $200,000 of Philadelphia Local 107 funds. He said that the monitors, backed by a court order, had demanded a hearing into the local's affairs and that Hoffa was given the evidence. This evidence was not produced at the hearing, O'Donoghue continued, and Hoffa-appointed hearing officers refused to question or let rank-and-file members question Local 107 officer (and international trustee) Ray Cohen about the alleged forgeries and fund misuse.

When questioned about this case, Hoffa read from an independent auditor's report that said the misuse of funds was not proven. He said Cohen "told me he had no knowledge of any wrongdoings. I believe him until proven otherwise."

Jan. 25—Hoffa defended his refusal to oust Teamsters officials who had served prison sentences for felonies. He defended Local 239 and said it "should not be castigated because of what someone may have did who is no longer in office." He said he had never seen Corallo before. (Corallo invoked the 5th Amendment in his appearance that day.)

Edward McCormick and William Stasen testified that they and other rank-and-file dissidents had brought charges against Local 107 officers and afterwards had undergone union-pressured layoffs and physical reprisals from a union-paid "goon squad" that "beat up truckers who don't go along." Hoffa promised a "full report" after an investigation. [See Vol. XX, p. 89A-E1]

Presser Conviction Stands. The Supreme Court Feb. 20 upheld, by refusing to review, the contempt-of-Congress conviction of Pres. William Presser of the Teamsters Joint Council 41 (Cleveland). 2 justices noted dissents. [See Vol. XX, p. 421B2]

(The court Mar. 6 refused to review lower-court decisions that enjoined payment by a Teamsters local of the legal expenses of one of its officers charged with misuse of his union position in violation of the Labor Reform Act.)

Other U.S. News

Right to Sue Police Upheld. The Supreme Court, in an 8-1 decision Feb. 27, held that Chicago police who violated a citizen's constitutional rights could be sued for damages in federal court.

The case had been brought by James Monroe, Negro handyman, who said that his Chicago apartment had been broken into in 1958 by 13 Chicago policemen who had no arrest or search warrants and that he and his wife had been forced to stand naked while the apartment was ransacked. Monroe said he was then held 10 hours at a police station, without being allowed to call a lawyer, before being released without charges. He had sued the police and the city for $200,000, but the case had been dismissed by a U.S. district judge and the U.S. 7th Circuit Court of Appeals.

Justice William O. Douglas' majority opinion said Monroe could sue the policemen as an individual but not the city. His opinion was based on the 1871 Civil Rights Act, which permitted federal court damage suits against anyone who, "under color of" state law, deprived someone of constitutional rights. Douglas interpreted the 1871 phrase to mean "under guise of" and said the purpose of the act was to provide a federal remedy even though there was a state remedy.

Justice Felix Frankfurter, the lone dissenter, said that the 1871 phrase covered officials actually acting under state law and that the Chicago police had not acted under state law. [See Vol. XIX, p. 404C-E3]

Wiretap Use Upheld. The right to use wiretap evidence in N.Y. State courts was upheld by a 7-2 Supreme Court ruling Feb. 27. The ruling upheld a decision of the U.S. 2d Circuit Court of Appeals. Justice William O. Douglas and Chief Justice Earl Warren dissented.

A federal injunction against the use of wiretap evidence by state prosecutors had been sought by Burton N. Pugach, who faced trial on a charge of hiring thugs to throw lye in the face of his former girl friend, Linda Riss (she was blinded in her right eye).

(Wiretap evidence obtained with a court order was allowed in state courts in New York, Massachusetts, Maryland, Oregon and Nevada.) [See Vol. XIX, p. 161F2]

Contempt Convictions Upheld. The Supreme Court Feb. 27 upheld by identical 5-4 votes the contempt-of-Congress convictions of Frank Wilkinson of Los Angeles and Carl Braden of Louisville. Both men had been cited for contempt for refusing to answer questions in Atlanta July 30, 1958 before a House Un-American Activities subcommittee. Each had contended that he had been subpoenaed to appear before the subcommittee only because he opposed the

Un-American Activities Committee. Each invoked the protection of the First Amendment.

Wilkinson had been campaigning against the committee and had gone to Atlanta to arouse opposition to it prior to his appearance before it. Braden's background included (1) state prosecution for sedition in Kentucky for his part in helping a Negro family move into a white area of Louisville, and (2) a letter in which he had urged people to write to Congress to oppose legislation that, in his opinion, would have hampered integration.

The court's majority, in each case formed by Justices Potter Stewart, Felix Frankfurter, Tom C. Clark, John Marshall Harlan and Charles E. Whittaker, was the same as had upheld the contempt conviction of Lloyd Barenblatt in 1959.

Stewart, who wrote the 2 majority opinions, held that the committee's Congressionally authorized probe into Communist infiltration and propaganda in the South formed a legitimate legislative purpose. Stewart said: Wilkinson was engaged in political activity that the subcommittee "believed to be Communist-dominated"; "we can find nothing to indicate that it was the intent of Congress to immunize from interrogation all those . . . who are opposed to the existence of the Un-American Activities Committee"; circumstances "do not necessarily lead to the conclusion that the subcommittee's intent was personal persecution"; "it is not for us to speculate as to the motivations of individual members of the subcommittee."

Justice Hugo L. Black, who wrote separate dissents in both cases, accused the majority of treating the First Amendment "as a mere admonition." He said: the majority was putting freedoms guaranteed in the First Amendment "completely at the mercy of Congress and this court" and upholding "abridgment of these freedoms" as "more desirable than freedom itself"; "there are not many people in our society who will have the courage to speak out against such a formidable opponent"; "government by consent will disappear to be replaced by government by intimidation because some people are afraid that this country cannot survive unless Congress has the power to set aside the freedoms of the First Amendment at will." [See Vol. XX, p. 440E1-A2]

FOREIGN

Belgium

Election Ordered. King Baudouin I dissolved Parliament Feb. 20 and scheduled new national elections for Mar. 26.

The king acted after the Liberal Party's 7 ministers and 2 undersecretaries had submitted their resignations Feb. 17 from Premier Gaston Eyskens' coalition cabinet, which was dominated by Eyskens' Social Christian Party. The Liberals, headed by Vice Premier René Lefebvre, resigned in disagreement with the government's austerity bill. The bill was passed by 97-63 Senate vote Feb. 13 and became law.

The Liberals withdrew their resignations Feb. 20 on the king's request. Following a cabinet meeting Feb. 24, the Liberal and Christian Socialist ministers agreed on a compromise plan to put into effect some social reforms and one tax increase and suspend other measures of the new austerity bill until after the elections. [See p. 10C3]

U.S. Pact. A U.S.-Belgian treaty of "friendship, establishment and navigation" was signed in Brussels Feb. 21 by U.S. Amb. William A. M. Burden and Belgian Foreign Min. Pierre Wigny. The treaty, incorporating many rights already in existence, would bar discrimination against Belgians and Americans because of their nationalities. It would permit Belgian and U.S. newsmen to work in each others' countries free of censorship.

Burma

U.S. Arms Linked to Guerrillas. It was reported Feb. 17 that the Burmese government had charged that Chinese Nationalist guerrillas active in northern Burma were being armed with U.S. military equipment. (The guerrillas were the remnants of a force of 12,000 that had fled to Burma in 1949-50 when the Communists conquered mainland China.)

Burma said that U.S.-made arms were found in Kengtung State in January after a Burmese army drive forced an estimated 5,000 guerrillas to flee to nearby Thailand and Laos.

Burmese officials said Feb. 17 that their forces had shot down a U.S.-made World War II Liberator bomber Feb. 15 and captured its 2 Chinese Nationalist crewmen along with U.S.-made military equipment allegedly destined for the guerrillas. The Free China Relief Association in Formosa said Feb. 17 that it had chartered the plane to airlift supplies to Chinese "refugees" in the China-Burma-Thailand border area. The Nationalist government denied Feb. 20 that it had aided the guerrillas with U.S. arms.

3 U.S. military attachés, responding to a Feb. 17 U.S. State Department order to investigate the Burmese charges, flew to Kengtung Feb. 22 to examine equipment allegedly captured in the Burmese army's January drive. The attachés found coded markings on ammunition boxes and sent them to Washington for U.S. officials to determined their nationality. The U.S. promised "appropriate action" if the equipment proved to be American.

The Burmese government charges against the U.S. touched off a demonstration by more than 10,000 persons before the U.S. Embassy in Rangoon Feb. 21. 3 anti-U.S. demonstrators were killed and 3 policemen injured before troops dispersed the mob.

A Burmese government note to UN Secy. Gen. Dag Hammarskjöld protested the Chinese guerrilla activity and supplies allegedly sent them by the Nationalists. Burmese Premier U Nu, just returned from a week's tour of the Chinese border area, said at a Rangoon news conference Feb. 25 that the U.S. was to blame for the continued Nationalist support of the guerrillas.

Laotian Deputy Premier Phoumi Nosavan, asserting that his government was embarrassed by the presence of the Chinese guerrillas, said Mar. 1 that Laos was taking measures to cope with the problem.

The Chinese Nationalist government announced Mar. 5 that it would remove to Formosa all Chinese guerrillas in the Burma-Laos-Thailand border area "who are responsive to the offer" of being evacuated.

Thailand reported Mar. 6 that all Chinese guerrillas had withdrawn from Thai territory and returned to Burma. Thailand had warned Mar. 2 that it would "take forcible action" to remove the guerrillas unless they surrendered "peacefully." [See Vol. XIX, p. 102G3]

Great Britain

Press Probe Started. The appointment of a Royal Commission to investigate possible monopolistic trends in the ownership, production and sale of British newspapers and periodicals was disclosed in Parliament Feb. 28 by Prime Min. Macmillan. The commission was headed by an ex-Labor cabinet member, Lord Shawcross. Other members: Glasgow University Prof. Robert Browning; Triplex glass manufacturing company chairman Sir Graham Cunningham; William B. Reddaway of Cambridge University; W. J. P. Webber, a trade union official.

The government press investigation followed demands for a probe by Labor Party leader Hugh Gaitskell, Liberal Party leader Jo Grimmond and trade union officials, who expressed fears of British press mergers.

Mirror-Odhams Merge. The Daily Mirror publishing group, headed by Cecil Harmsworth King, announced in London Mar. 1 that its offer to buy Odhams Press for about £35½ million ($99,400,000) had been approved by a majority of Odhams stockholders. The merger of the 2 publishing firms created what was regarded as the world's largest newspaper and magazine enterprise. Its combined value reportedly totaled more than £100 million ($280 million). The new firm was headed by King.

The Daily Mirror group published the Daily Mirror (circulation 4,648,768) and the Sunday Pictorial (circulation 5,461,091), both newspapers. It also published with its subsidiaries more than 130 magazines, periodicals and trade and technical journals and more than 200 yearbooks, trade directories and technical books. Odhams Press published the Daily Herald and the Sunday newspaper The People (circulation 5,250,000). Odhams also published with its subsidiaries more than 150 periodicals. [See Vol. XX, p. 392B2]

Paraders Vs. A-Arms. More than 2,000 persons led by Bertrand Russell, 88, paraded from London's Trafalgar Square to the Defense Ministry Feb. 18 to support demands for nuclear disarmament and to protest the presence of U.S. Polaris missile submarines in Britain.

The demonstration was the opening of a "nonviolent civil disobedience" campaign sponsored by the Committee of 100. After the paraders staged a 3-hour sit-down before the ministry building, police permitted Russell to tape to the building door a declaration bearing the committee's protest.

A counter-demonstration by the League of Empire Loyalists carried signs reading: "Keep Britain's Bomb."

More than 7,000 persons paraded in Glasgow, Scotland Feb. 18 to protest

the U.S. Polaris submarine base at Holy Loch. [See Vol. XX, p. 171E1]

Health Fees Raised. Health Min. Enoch Powell announced in Parliament Feb. 1 that starting July 1, weekly contributions to the National Health Service program would be raised for employes from the current 9s 11d ($1.39) to 10s 11d ($1.53) and for employers from the current 8s 3d ($1.15) to 10s 3d ($1.43). Charges also would be increased for prescriptions, dentures, eyeglasses and private or semi-private hospital rooms. Powell estimated the health service budget for the fiscal year ending Apr. 1 at £867 million ($2,427,600,000). [See Vol. XX, p. 247A-B3]

India

Chinese Accused re Borders. An Indian government report on the 1960 Indian-Chinese Communist border negotiations was presented to Parliament at its opening session Feb. 14 by Prime Min. Jawaharlal Nehru.

In an accompanying statement India's Foreign Ministry charged that (1) China was in "unlawful occupation of about 12,000 square miles of Indian territory" in the Ladakh section of Kashmir, (2) China had "now . . . openly . . . declined to recognize accession of Kashmir to India," and (3) the border talks had proven "beyond doubt" that the 2,500-mile Indian-Chinese boundary was shown correctly on Indian maps.

Opening the Parliament session, Indian Pres. Rajendra Prasad accused Red China of "intransigence." He said India could not accept the "results of unilateral action . . . taken by China" in the border dispute.

The boundary report said:

- Red China had refused to recognize India's treaty relations with Sikkim, an Indian protectorate, and Bhutan, whose foreign relations and defense were handled by India.
- China barred discussion of the border between Sinkiang and the Gilgit Agency of Kashmir (occupied and administered by Pakistan).
- India's border was well defined by treaties, geography and custom and, therefore, there was no dispute as to its validity. China, however, contended that no treaty delineated the Indian-Chinese border.
- China, in effect, had rejected India's argument that their border was based on the natural watershed that divided both countries. [See Vol. XX, p. 138E2]

King Druk Gyalpo Jigme Wangchuck of Bhutan visited India Feb. 8-15. He reportedly sought a clarification of the 1949 treaty charging India with Bhutan's defense and foreign relations. On his departure, the king said he had authorized India to "negotiate or take up any question with China" on the Chinese-Bhutanese border.

Nehru, in a warning to China, which claimed 300 square miles of Bhutanese territory, told Parliament Feb. 15 that "any aggression against Bhutan will be regarded as aggression against India." [See Vol. XX, p. 139F1]

Defense. An Indian defense budget of $594,132,000 for fiscal 1961-62 (starting Apr. 1) was presented to Parliament Feb. 28 by Finance Min. Morarji R. Desai. It was part of an estimated overall budget of $2,149,959,000. The 1960-61 defense budget totaled $560,112,000.

Israel

Ben-Gurion Resigns. David Ben-Gurion, 74, resigned as premier of Israel Jan. 31 in opposition to a Dec. 25, 1960 cabinet decision absolving ex-Defense Min. Pinhas Lavon of blame for the undisclosed security mishap for which he had been forced to resign in 1955. Ben-Gurion's government remained in office on a caretaker basis pending the formation of a new cabinet.

Ben-Gurion submitted his resignation despite the rejection, by 77-26 Knesset (Parliament) vote Jan. 30, of a no-confidence motion against his government. The government's position was reportedly weakened during debate, however, by members of 3 coalition parties who voted against the motion but criticized Ben-Gurion for his handling of the Lavon affair. [See p. 18D3]

Lavon Loses Histadrut Post. The Central Committee of Mapai, Israel's ruling party, voted by 159 to 96 Feb. 4 to oust Lavon as secretary general of Histadrut, Israel's general labor federation. The vote was on a resolution stating that Lavon should no longer represent Mapai in Histadrut because of remarks he had made about the army and Mapai members in an effort to clear himself of charges made against him when he was defense minister.

Histadrut's 107-member executive committee Feb. 9 accepted Lavon's resignation as secretary general at a Tel Aviv meeting in which 46 members voted against accepting the resignation.

Ben-Gurion had demanded Lavon's resignation as his condition for forming a new cabinet. [See p. 18D3]

Eichmann Indicted. A 15-count indictment accusing Adolf Eichmann of committing crimes against Jews, crimes against humanity and war crimes during World War II was submitted to a Jerusalem court Feb. 22 by Israeli Atty. Gen. Gideon Hausner.

The charges had been presented by Hausner Feb. 1 to Robert Servatius, Eichmann's lawyer.

The indictment held Eichmann personally responsible for the slaying of Jews and non-Jews in his capacity as head of the Nazi Gestapo's Department for Jewish Affairs and as head of a special operations group based in Budapest in 1944.

The indictment accused Eichmann of: causing the deaths of "millions of Jews" by confining them under conditions "calculated to bring about their physical destruction" and "enslaving, starving, deporting and persecuting them"; assisting in the sterilization of Jews to prevent births for the purpose of "destroy[ing] the Jewish people"; assisting in the deportation of 500,000 Poles to German work camps; being in charge of the transfer of 14,000 Slovenes in Yugoslavia "by coercive terrorist measures"; assisting in the deportation of thousands of gypsies "to [German] extermination camps."

These 3 judges were selected Feb. 26 for the Eichmann trial: Judge Benyamin Halevi, Supreme Court Justice Moshe Landau and Tel Aviv District Court Judge Tizhak Raveh. [See Vol. XX, p. 460D3]

Sitte Convicted as Spy. Prof. Kurt Sitte, 50, Czech-born physics department head of the Israel Institute of Technology in Haifa, was convicted and sentenced to 5 years in prison Feb. 7 on charges of having given security information to an undisclosed European country. Sitte, a West German citizen, was tried in Tel Aviv in secret. A World War II concentration camp prisoner, he had come to Israel in 1954 and had been arrested Jan. 15, 1960 shortly after attending an international science conference in Prague.

Morocco

French Troops Withdraw. French troops completed the evacuation of all their military bases in Morocco Mar. 2 under terms of a French-Moroccan agreement of Sept. 1, 1960.

King Hassan II announced Mar. 5 a new French-Moroccan agreement calling for withdrawal of France's remaining 6 military training schools and air bases by Oct. 1 instead of by 1963, as originally agreed upon. [See Vol. XX, p. 393B3]

U.S. Aid. The U.S. Embassy in Rabat Feb. 2 announced the signing of an agreement to give Morocco a $40 million U.S. International Cooperation Administration loan. [See Vol. XX, p. 441G3]

Bias Vs. Jews Denied. Moroccan officials Feb. 21 denied charges of U.S. Jewish organizations that the government was waging an anti-Semitic campaign against Moroccan Jews and was preventing them from emigrating.

Interior Min. M'barek Bekkai Feb. 21 urged Jews to remain and said they were permitted to travel anywhere abroad except to Israel, which Morocco did not recognize. Bekkai, however, denounced international Zionism for encouraging Moroccan Jews to "abandon" their country. Information Min. Aloui had said Jan. 23 that Morocco could not permit Jews to go to Israel and settle on lands that "rightfully" belonged to Arabs.

An appeal for an end to the Moroccan "campaign of persecution and terror" against Jews was made in a letter sent Feb. 18 to Moroccan Amb.-to-U.S. El-Mehdi Ben Aboud by the American Jewish Congress (AJC) and 9 affiliated organizations. The letter, signed by AJC Pres. Joachim Prinz, charged that more than 2,000 Jews had been arrested and beaten in January on false charges. The AJC said the drive against Jews had increased in January during UAR Pres. Gamal Abdel Nasser's visit to Morocco.

Mohammed V Feb. 16 assured a visiting delegation of Moroccan Jews of his "solicitude" for their coreligionists. The delegation, led by Dr. Leon Benzaquen, ex-telecommunications minister, and Meyer Obadia, Casablanca

Jewish community president, voiced "loyalty" to the king.

Israeli Foreign Min. Golda Meir charged in the Knesset (Parliament) Jan. 18 that Morocco was responsible for the deaths of 42 Israel-bound Moroccan Jews who had drowned Jan. 11 when their boat sank. Mrs. Meir said Moroccan Jews were gripped by "fear and insecurity" and many were "left . . . with no alternative" but to attempt escape. [See p. 32B3; Vol. XIX, p. 120G2-A3]

Soviet Union

Agriculture Reorganized. The government Feb. 20 announced the reorganization of the Soviet Agriculture Ministry into a farm research agency and the creation of an All-Union Agricultural Machinery Agency to encourage lagging farm production. The reorganization was part of the agricultural reform plan approved by the Communist Party Central Committee in January.

Pavel S. Kuchumov was appointed head of the all-union agency Feb. 21.

The government Feb. 27 announced a plan to expand the economy of collective farms by reducing taxes on dairy products, providing more time to repay state loans and decreasing interest rates on loans. [See p. 52C2-C3]

Officials Ousted. 6 regional officials were dismissed Feb. 8-Mar. 2.

Tass reported Feb. 8 that A. I. Fedosoyev had been replaced by M. M. Sinits as first secretary of the CP's Odessa Regional Committee.

Pavel I. Doronin was ousted Feb. 11 as first secretary of the Smolensk CP and was replaced by P. A. Abrasimov. (It was not reported whether Abrasimov was the Pyotr A. Abrasimov whose replacement as Soviet ambassador to Poland by Averky A. Aristov, 57, had been announced Feb. 5. Aristov was deputy chairman of the Russian Republic's CP Central Committee and a member of its presidium.)

The removal of Mikhail K. Lazurenko as CP chief in the Lvov region of the Ukraine was announced in Pravda Feb. 12. He was succeeded by Ivan S. Grushetsky.

Nikifor T. Kalchenko was dismissed Feb. 28 as chairman of the Ukranian Council of Ministers and was replaced by Vladimir V. Shcherbitsky, secretary of the Ukranian CP Central Committee. Kalchenko, who had served as Ukranian premier since 1954 and was singled out in Premier Khrushchev's speeches in January for crop deficiencies, was appointed chief of the State Procurement Ministry and made a Ukranian deputy premier Mar. 3.

Tass reported Mar. 2 that Vitali N. Titov had been ousted as CP secretary in the Kharkov region.

Kazakhstan Agriculture Min. Mikhail Rognets was dismissed from his post and was replaced by Kazakhstan Academy of Agricultural Sciences Pres. Khaydar Arvstanbekov, Tass reported Mar. 3. [See Vol. XX, p. 481F1]

— LATIN AMERICA —

Bolivia

Rebels Exiled. The government disclosed Feb. 23 that more than 200 opposition leaders—most of them Communists and members of the Authentic National Revolutionary Movement—were being exiled to Paraguay on charges of plotting a Feb. 21 revolt.

Movement leader Walter Arze Guevara, 53, sought by Bolivian police in connection with the alleged plot, arrived in Santiago, Chile Mar. 5 as a political exile. Bolivian authorities had granted him safe conduct after the Vatican's papal nuncio in La Paz, Msgr. Carmine Rocco, reported Mar. 2 that he had given Guevara asylum in his papal embassy. [See p. 66B3]

Brazil

Berle & Quadros Meet. Adolf A. Berle, Jr., 66, chairman of a task force to coordinate U.S. policies on Latin America, conferred with Brazilian Pres. Jânio da Silva Quadros in Brasilia Mar. 2. Berle, accompanied by U.S. Amb. John Moors Cabot, said after the meeting that a Cuban proposal to have other countries in the Americas mediate the U.S.-Cuban dispute was not "feasible" because the U.S. regarded the matter of concern to the whole Western Hemisphere and not as a problem relating only to both governments.

The N.Y. Times Mar. 4 said Quadros was reported to have told Berle that Brazil was opposed to an inter-American conference of foreign ministers to consider joint measures against the alleged Communist buildup in Cuba. [See p. 58E1]

Drive Vs. Smugglers. The motor vessel Alete, en route to a private, smuggler-built port near Angra dos Reis with a $2½ million cargo of contraband, was captured by Brazilian warships Feb. 20 off Ilha Grande Bay. The ship, owned by the Gulf Stream Shipping Co., Ltd. of Nassau, Bahamas, was carrying 18 new U.S. autos, U.S. cigarettes, whisky and TV sets. The ship's capture touched off an investigation into widespread smuggling, and several businessmen were arrested. One of the first acts of the new Jânio Quadros administration had been to dismiss all customs inspectors.

Brazil was reported Feb. 27 to have appealed to U.S. authorities to block the landing in New York of 4 Scandinavian ships carrying 40,000 bags of coffee smuggled out of Brazil. One of the ships, the Norwegian freighter Buenos Aires, docked in New York Feb. 27 with 12,000-13,000 bags (132 pounds each) of coffee. The other ships were the Alice Torm, the Bur Sparemburg and the Eric Shroeder.

Cuba

Attack on Ship Rites. 2 persons were killed and 5 wounded at a Havana dock Mar. 4 as 4 occupants of a speeding commandeered auto fired into a crowd of several thousand persons attending the first anniversary commemoration of the Mar 4, 1960 explosion of the French ammunition freighter La Coubre in Havana harbor. Militiamen captured the 4 attackers. Among those captured was the alleged leader of the anti-Castro group, ex-policeman Roberto Gonzalez Lopez. Those killed in the attack were the driver of the auto and a bystander.

Premier Castro and other Cuban officials charged at the Havana dock rites earlier Mar. 4 that the U.S. was responsible for the La Coubre explosion, in which 80 persons were killed and 200 injured [See Vol. XX, p. 214E2]

Schlesinger on Castro. U.S. Presidential aide Arthur M. Schlesinger Jr. returned to Washington from a Latin American tour Mar. 3 and reported to Pres. Kennedy that Castro was losing support in Latin America because he was regarded as "a symbol of Communist penetration."

Schlesinger said factors contributing to Castro's loss of popularity included (1) his refusal to hold elections, (2) Cuban attempts to spread its revolution to other countries and (3) the continued rigid discipline of Cuban society. He said the only groups supporting Castro outside Cuba were students. [See p. 58G1]

Dominican Republic

Trujillo Denied Church Title. The Dominican Republic's Roman Catholic bishops disclosed in a letter in the Feb. 23 issue of the newspaper El Caribe that they had rejected Pres. Joaquin Balaguer's request that they award Generalissimo Rafael Leonidas Trujillo Molina the title of "Benefactor of the Catholic Church of the Dominican Republic." The letter, signed by Archbishop Octavio A. Beras and other hierarchy members, said that only the Vatican could bestow such titles. [See p. 39G2]

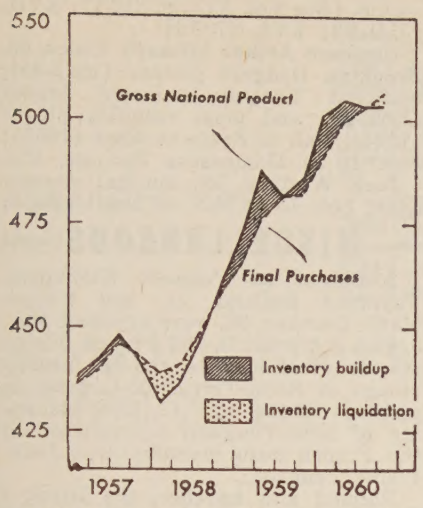
Uruguay

Haedo Inaugurated. Eduardo Victor Haedo, 63, head of the 9-man ruling Executive Council, was inaugurated president of Uruguay in Mercedes Mar. 1. In his inaugural address, Haedo expressed friendship for the U.S. and voiced opposition to "interference [in the Western Hemisphere] by outside forces." [See Vol. XIX, p. 72D2]

— ECONOMY —

World Steel Output Record. The U.S. Commerce Department reported Feb. 21 that world steel production had risen to a record 355,600,000 net ingot tons in 1960. The total was almost 35 million tons over the 1959 figure. The U.S. was the only major steel-producing country to show a decline. Its 99,300,000 tons produced in 1960 was 27.9% of the total world output, compared with 29.1% in 1959. Japan, with the highest rate of increase, 33%, produced 24,400,000 tons in 1960. Italy's output rose 21%; the United Kingdom's 20% to 27,200,000 tons; West Germany's 16% to 37,600,000 tons; France's 14%; the USSR's 9% to 72 million tons. [See pp. 53A1, 30C-D2; Vol. XX, 266C2]

Kaiser Wins Case Vs. U.S. The Kaiser Aluminum & Chemical Corp. was awarded $583,549 by the Court of Claims in Washington Mar. 1 in a breach-of-contract suit against the U.S. government. The company had charged that the government had broken an agreement by giving the Reynolds Metals Co. more of an advantage in Reynolds' purchase of 4 war-surplus government-owned aluminum plants Dec. 21, 1949 for $50,081,958 than it gave Kaiser in Kaiser's July 27, 1949 purchase of 3 plants for $36 million. The government said both sales were at 39.39% of the plants' original cost, but the court agreed that Reynolds had been favored in rental forgiveness and interest charges. [See Vol. IX, p. 414P]



GNP Record. The U.S. gross national product rose from $482.1 billion in 1959 to a record $503.2 billion in 1960, the Commerce Department reported Feb. 19. The annual rate in 1960's 3d and 4th quarters, however, was $503½ billion, compared with a peak $505 billion in the 2d quarter. Final purchases rose from a $476.2 billion total in 1959 to $499.6 billion in 1960. Commerce Department graph contrasts quarterly GNP rate with quarterly rate of final purchases—and consequent inventory buildup or liquidation—in 1957-60. Figures are billions of dollars. [See Vol. XX, p. 290E2]

Overseas Trade Centers. Details of a U.S. plan to open permanent trade centers in the free countries of the world were announced in New York Feb. 28 by Emile E. Schnellbacher, director of the Commerce Department's Office of Trade Promotion. The centers would exhibit U.S. products and goods, and stimulate U.S. exports. The first center was to open in London June 26. [See p. 44C2]

Family Need: $84 Weekly. A U.S. family of 4 needed $84 a week to "get along" in 1961, according to a Gallup Poll made public Feb. 19. The figure was a median average of estimates made by Americans questioned. In 1959 the average was $79, in 1950 $50, in 1937 $30. The 1961 median average was highest in the Far West, $104, and lowest in the South, $66. (The weekly minimum needed in West Germany averaged $31, according to a poll by EMNID, a Gallup affiliate.)

Cotton Supports Raised. Agriculture Secy. Orville L. Freeman Feb. 21 set the 1961 cotton price-support level at 82% of parity, the minimum average cotton support price at 31.84¢ a pound and the cotton export subsidy rate at 8.5¢ a pound.

The new level would mean a minimum price estimated at 33.04¢ a pound for middling 1-inch grade cotton, and the 8.5¢ export subsidy would bring the U.S. cotton price per pound abroad to about 25.5¢, compared to a world cotton price of about 24¢.

The new levels were decided on by a cabinet committee headed by Commerce Secy. Luther H. Hodges. Other members: Freeman, Treasury Secy. Douglas Dillon, Labor Secy. Arthur J. Goldberg and State Undersecy. George W. Ball. Pres. Kennedy had appointed the committee after receiving complaints from the textile industry about Freeman's reported intention to set the cotton price-support level at 81% of parity. [See p. 45D3]

Truckers' Award Reversed. The Supreme Court Feb. 20 unanimously reversed a ruling that a group of railroads had violated the Sherman Antitrust Act by conspiring to arouse public opinion against trucks through a deceptive public relations campaign. The decision nullified an $852,074 award granted to a Pennsylvania trucking trade association by U.S. District Judge Thomas J. Clary in Philadelphia in 1956. The award had been upheld by the U.S. 3d Circuit Court of Appeals. Justice Hugo L. Black's majority opinion said the Sherman Act prohibited ordinary economic conspiracies but not deceptive public relations, "reprehensive as it is." [See Vol. XIX, p. 445C2]

Stock Volume Record. 5,830,000 shares of stock were sold on the N.Y. Stock Exchange Feb. 28. This was the highest one-day volume since ex-Pres. Eisenhower's heart attack Sept. 26, 1955. Total February sales were 92,803,996 shares, the biggest February volume on record. (The previous high was 77,961,600 shares in Feb. 1929.) [See p. 58B3]

Anti-Trust Cases. U.S. District Judge Pierson Hall in Los Angeles Jan. 16 issued a preliminary injunction barring Phillips Petroleum Co. (Bartlesville, Okla.) from acquiring additional stock in Union Oil Co. of California (Los Angeles). Phillips was also barred from voting the 1,260,000 Union Oil shares it currently owned and from representation on the Union Oil board. [See Vol. XX, p. 462D3]

Consent judgments filed in U.S. District Court in San Francisco Jan. 17 ended the Justice Department's anti-trust suit against 13 of 18 defendants charged Nov. 23, 1959 with conspiring to eliminate competition in the sale, distribution and fabrication of concrete reinforcing bars in Arizona, California, Idaho, Nevada, Oregon, Utah and Washington. The judgments ended the case against: Western Reinforcing Steel fabricators Association and Gilmore-Skoubye Steel Contractors (Oakland, Calif.); Blue Diamond Corp. and Southwest Steel Rolling Mills (Los Angeles); Rutherford & Skoubye, Inc., of Los Angeles (Downey, Calif.); Ceco Steel Products Corp. and Joseph T. Ryerson & Son, Inc. (Chicago); Herrick Iron Works (Hayward, Calif.); F. A. Klinger, Inc. (Stockton, Calif.); Meehleis Steel Co. (Vernon, Calif.); Pittsburgh-Des Moines Steel Co. (Pittsburgh, Pa.); San Jose (Calif.) Steel Co., Inc.; Soule's Steel Co. (San Francisco). The judgments barred the defendants from allocating or dividing fabrication jobs among fabricators, from fixing uniform interest rates and from buying reinforcing bars in foreign countries. The 5 companies against whom the case still was pending: Bethlehem Pacific Coast Steel Corp. (San Francisco); Bethlehem (Pa.) Steel Co.; Judson Steel Corp. (Emeryville, Calif.); Pacific States Steel Corp. (Niles, Calif.); U.S. Steel Corp. (Pittsburgh). [See Vol. XIX, p. 445D1]

16 southeast Tennessee coal operators Jan. 6 filed a $30 million anti-trust suit in federal court in Chattanooga against the United Mine Workers, the TVA, the Louisville and Nashville Railroad and industrialist Cyrus Eaton. They charged conspiracy to control coal output and prices, allocate markets and lessen competition in the southern Appalachians area.

The U.S. Supreme Court ruled Jan. 16 that a plaintiff in a private treble-damage suit was required to show damage only to himself by unfair business practices of conspirators. It reversed rulings of the U.S. District Court and U.S. Court of Appeals in Chicago, where a treble-damage suit brought by Radiant Burners, Inc. had been dismissed on the ground that it did not show general injury to the public or to the economy. Radiant Burners, manufacturer of gas furnaces, had charged that the American Gas Association and others had conspired to control the sale of gas appliances. Radiant said the association's seals of approval were granted without basis to some but were denied to Radiant, whose burners were more efficient and lasting than those of competitors granted seals (according to Radiant). The Supreme Court reinstated the case and returned it to the District Court for trial.

American-Marietta Co. (Chicago), one of the U.S.' 200 largest industrial firms (annual sales exceeded $300 million), was accused by the FTC Feb. 9 of anti-trust law violations in its acquisition of 49 corporations from 1953 to 1960. The acquisitions lessened competition or created a monopoly in the production and sale of concrete pipe, cement, sand, gravel, lime and crushed stone, the complaint charged. The FTC also accused American-Marietta of "constant and systematic elimination of actual and potential competitors." Larger companies acquired by the firm and listed in the FTC complaint were: Universal Concrete Pipe Co., Mid-South Concrete Pipe Co. (Tenn.) and its subsidiary, Osceola Tile and Culvert Co. (Ark.), Thomas Concrete Pipe Co. (Okla.), Standard Lime and Stone Co. (W.Va.), Concrete Materials Co. and Concrete Materials and Construction Co. (Iowa).

The FTC Jan. 15 accused H. P. Hood & Sons, main dairy concern in New England, and the Great Atlantic and Pacific Tea Co., Inc. (A&P), the U.S.' largest retail food chain, of wholesale and retail price-fixing in New England, of engaging in price wars and of other unfair price practices.

The U.S. Justice Department filed suit in U.S. District Court in Pittsburgh Feb. 17 to require Koppers Co., Inc. (Pittsburgh, Pa.), the U.S.' largest producer of flexible couplings (metal devices for transmitting power between industrial machines), to divest itself of Thomas Flexible Coupling Co. (Warren, Pa.), which it had acquired Jan. 3.

The Justice Department filed suit in U.S. District Court in New York Jan. 19 to force the American Smelting and Refining Co., the largest U.S. custom refiner of copper, to divest itself of the 30% stock interest in the General Cable Corp. (major U.S. wire and cable manufacturer) and 35% stock interest in Revere Copper & Brass, Inc. (brass milling company) that it had acquired since 1927. In a separate suit filed in the New York court Jan. 19 against General Cable, largest U.S. maker of copper and aluminum wire and cable, the Justice Department charged that the company's acquisitions, from June 1955 to 1959, of 9 corporations would lessen competition in the manufacture, distribution and sale of electrical wires and cables. Companies acquired by General Cable: General Insulated Wire Works (1955); New England Cable Co., Clifton Conduit Co., Clifton Conduit Co., Inc. (2 separate firms), Alphaduct Wire & Cable Co. (1956); Metal Textile Corp. (1957); Hathaway Patterson Corp. (1958); Cornish Wire, Inc. and Indiana Steel & Wire Co., Inc. (1959).

A federal grand jury in Dayton, O. Jan. 19 indicted 4 manufacturers and 2 persons on charges of conspiring since 1955 to fix prices of composition electrical resistors sold to equipment manufacturers and to the armed forces. A companion civil suit was filed simultaneously naming only the companies as defendants. Defendants: Allen-Bradley Co. (Milwaukee, Wis.); Stackpole Carbon Co. and Speer Carbon Co. (St. Marys, Pa.); International Resistance Co. (Philadelphia); George W. Vater, sales manager of Allen-Bradley's Electronic Components Division; Edward W. Butler, Speer vice president.

Brann Arrested in N.Y. Herman William Brann, 49, Chicago-born ex-president of the American & Foreign Bank of Tangier, was arrested by FBI agents Feb. 13 in New York aboard the S.S. Ivernea on charges of transporting $400,000 worth of stolen Pan American Bank of Miami stock. U.S. Atty. Morton S. Robson charged that the stocks "were being sold in Geneva as coming from a Cuban refugee" and that Brann "was instrumental in helping to arrange [their] distribution . . . to Swiss brokerage houses." [See p. 58B-D3]

Exchange Pays Homsey Debts. The N.Y. Stock Exchange provided an additional $180,000 Jan. 3 to pay debts and expenses of Du Pont, Homsey & Co., which had been dropped from the exchange on charges that its managing partner, Anton E. Homsey, had misused customers' securities. [See Vol. XX, p. 427C3]

OBITUARIES

(Additional obituaries are published in Appendix to Facts on File Cumulative Index.)

Marquis de Cuevas (George de Pieddrablanca Guana), 75, Chilean-born ballet impresario and choreographer, husband of John D. Rockefeller Jr.'s eldest daughter; Feb. 22 in Cannes, France of heart attack. (He had renounced the Spanish title of 8th Marquis de Pieddrablanca de Guana Cuevas in 1940.)

Douglas Furber, 75, English songwriter ("Limehouse Blues," "The Lambeth Walk," "The Bells of St. Mary's"), musical play author and producer; Feb 19 in London.

Percy (Aldrich) Grainger, 78, Australian-born U.S. composer of "Country Gardens," "Molly on the Shore," "Shepherd's Hey," pianist, conductor; Feb. 20 in White Plains, N.Y.

Joseph R. Grundy, 98, U.S. Senator (R., Pa.) 1929-30 who supported high tariffs and low taxes, co-founder (1880s) and president (until 1947) of Pennsylvania Manufacturers Association (1880s); Mar. 3 in Nassau, the Bahamas.

Max Hymans, 61, a World War II French Resistance leader, ex-chairman of Air France, ex-Secretary of State for Trade and Finances, French Civil and Commercial Aviation secretary general 1945-48, International Air Transport Association president 1954-55; Mar. 7 near Paris.

Dominick (Nick) James La Rocca, 71, ex-jazz cornetist famed as creator of first Dixieland jazz band, composer of "Tiger Rag," other jazz tunes; Feb. 22 in New Orleans.

Watson B. Miller, 82, U.S. Immigration Commissioner 1947-50, Federal Security Agency assistant administrator 1941 and director 1945, American Legion vice commander 1922; Feb. 11 in Washington.

Marcello Cardinal Mimmi, 78, secretary of the Vatican's Sacred Congregation of the Consistory since 1957, a cardinal since 1952 and a cardinal-bishop (highest cardinal rank) since 1953; Mar. 6 in Rome following stomach operation. Mimmi had been a candidate to succeed Pope Pius XII in 1958; his death reduced the number of cardinals to 84. [See Vol. XVII, p. 415G1]

Nita Naldi (Nonna Dooley), 63, silent film star, stage actress; Feb. 17 in New York of heart attack.

Gen. Sir Bernard Charles Tolver Paget, 73, British Army Home Forces commander-in-chief 1941-43, who retired in 1946; Feb. 17 in Petersfield, England of heart attack.

Govind Ballabh Pant, 73, Indian Home Minister since Jan. 1955, head of Uttar Pradesh (North India) state; Mar. 7 in New Delhi of cerebral thrombosis. Pant, an active political leader since 1916, had formed the first Congress cabinet of United Province (1937) and had acted as the province's prime minister until 1932. He helped create bilingual state of Bombay (Nov. 1956), was Congress Party deputy leader since 1958. [See Vol. XX, p. 138E3; XIX, 249F1-A2; XVIII, 150F2]

Adm. Richmond Kelly Turner, 75, World War II commander of U.S. amphibious forces in Pacific, who retired in 1947; Feb. 12 in Monterey, Calif. of heart attack.

Millard Evelyn Tydings, 70, U.S. Representative (D., Md.) 1923-27, Senator 1927-50, states' rights champion, political opponent of Pres. Roosevelt and Sen. Joseph R. McCarthy; Feb. 9 in Havre De Grace, Md. of pneumonia. [See Vol. XIX, p. 212A1; XVII, 151D-E3; XVI, 279F3]

Clarence Arthur (Dazzy) Vance, 69, Brooklyn Dodgers pitcher (1922-35), National League strikeout leader (1922-28) and most valuable player (1924), Hall of Fame member (1955); Feb. 16 in Homasassa Springs, Fla.

Jack Whiting, 59, musical comedy Star; Feb. 15 in N.Y. of heart attack.

MISCELLANEOUS

2 Seized as Peugeot Kidnapers. Raymond Rolland, 24, and Pierre-Marie Larcher, 38, were arrested Mar. 5 with 3 friends in the French Alpine ski resort of Mégève and the nearby village of Saint-Trivier-de-Courtes as suspects in the Apr. 12, 1960 kidnaping of Eric Peugeot, 5, grandson of the French auto manufacturer Jean-Pierre Peugeot.

Rolland and Larcher, the latter a known racketeer, were charged with the crime in Versailles Mar. 8. Police said Mar. 7 that Rolland and Larcher had admitted the abduction. Their companions—Inge Lise Bodin, 19, Danish beauty queen, Rolande Niemezyk, 19, and Jean Rothman, 25—were accused of having shared in the high-living financed by the $100,000 ransom money paid by Peugeot and of being aware that Rolland and Larcher had kidnaped the boy. A 6th suspect, a Eurasian night club performer, was arrested with the others but released Mar. 7. [See Vol. XX, p. 136F2]

Indiana Mine Blast. 22 miners were killed Mar. 2 in an explosion in the Viking Coal Corp.'s mine in Terre Haute, Ind. [See Vol. XX, p. 324B3]

Spanish Factory Explosion. A Madrid plastics factory exploded and caught fire Feb. 22. At least 23 workers were killed.

Business & Financial Summary

Week Ended Mar. 4

FINANCE:	This Week	Last Week	Year Ago
U.S. Treasury—			
Monetary gold stocks	*$17,373	*$17,385	*$19,421
Currency circulation	*$31,766	*$31,857	*$31,518
Banks—			
Com'l & ind'l loans§	*[a]$31,248	*$31,289	*$30,162
Agricultural loans	*[a]$1,083	*$1,089	*$899
N.Y. bank clearings	$17,808,689,684	$13,339,512,675	$14,161,434,953
England note circulation	*£2,215,274	*£2,205,960	*£2,118,826
N.Y. Stock Exchange—			
Stock sales (shares)	27,102,906	20,696,610	16,239,695
Stock avgs. (100 shares)**	247.15	244.14	221.63
Bond sales (par value)	$43,364,000	$29,026,000	$32,534,000
Bond avgs. (30 bonds)**	87.12	86.90	84.53
INDUSTRY:			
Auto output (cars & trucks)†	112,045	121,731	116,662
Crude oil (bbl. daily)	[b]7,207,460	7,166,910	7,318,210
Soft-coal output (tons)	[c]7,120,000	7,360,000	7,400,000
Electric output (kwh.)	*[b]14,239	*14,315	*14,200
Carloadings (cars)	[b]468,482	502,234	553,882
	Jan.	**Dec. 1960**	**Jan. 1960**
Ind'l output§[e]	102	103	111
Steel output (tons)	6,416,004	5,839,841	12,049,404
PRICES:	**This Week**	**Last Week**	**Year Ago**
Wheat (bu.)	$2.43¾	$2.43¾	$2.50
Corn (bu.)	$1.46⅛	$1.45⅜	$1.45⅝
Cotton (lb.)	$.3310	$.3290	$.33¼
Steel scrap avg. (ton)[f]	$34.50	$33.50	$34.50
Wholesale food index‡	[d]$6.09	$6.12	$5.81
Weekly whlsl. index (BLS)¶	[d]119.8	119.8	119.4
BUSINESS:			
Dept. store sales§¶	[b]122	115	110
Failures (Feb. 23)‡	348	374	277
Foreign Trade (Census Bur.)—	**Dec. 1960**	**Nov. 1960**	**Dec. 1959**
Exports	*$1,796.3	*$1,796.0	*$1,674.5
Imports	*$1,157.1	*$1,477.8	*$1,160.8

*In millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Federal Reserve Board [a]Member banks, 107 cities, Feb. 23 [b]Feb. 25 [c]Feb. 18 [d]Feb. 28 [e]1957=100 [f]Iron Age

1960 Consumer Credit. U.S. consumer credit totals, in billions (outstanding figures given as of end of month):

	Dec. '59	Oct. '60	Nov. '60	Dec. '60
Total outstanding	$52.119	$54.344	$54.026	$56.049
Installment	39.852	42.591	42.703	43.281
Automobile	16.549	17.992	17.967	17.866
Personal	10.043	10.961	11.001	11.192
Installment extended	4.782	4.012	4.067	4.641
Installment repaid	3.954	3.938	3.995	4.063

Total U.S. consumer credit outstanding (after seasonal adjustment) dropped to $55.021 billion Jan. 31, the Federal Reserve Board reported Mar. 6. In January, Installment credit outstanding declined $103 million after seasonal adjustment to $42.782 billion. It was the first monthly decline since Sept. 1958. Automobile installment credit showed the greatest decline $148 million, to a $17.611 billion total. [See p. 68B1]

Corporation Profits Fall. The Wall St. Journal reported Mar. 2 that 1960 earnings of 601 publicly-reporting corporations had dropped from a total of $12,003,457,000 in 1959 to $11,759,666,000 in 1960. The greatest decline, 56.2%, was among the 9 farm equipment companies, whose earnings fell from $235,169,000 in 1959 to $103,004,000 in 1960. Profits of 6 airlines fell by 50½%, from $37,316,000 in 1959 to $18,456,000 in 1960; profits of 3 floor covering firms fell by 34%, from $31,689,000 to $20,899,000; of 47 railroads 22.9%, from $585,070,000 to $451,334,000; of 8 meatpacking companies 20.2%, from $61,680,000 to $49,196,000. The greatest increase, 29.9%, was among the 10 aircraft manufacturers, whose earnings rose from $32,660,000 in 1959 to $42,431,000 in 1960. The 9 office equipment firms reported the 2d highest rate of increase, 20½%, with 1960 earnings of $186,450,000, compared with $154,670,000 in 1959. [See Vol. XX, p. 153G2]